



AGENDA

PRIORITIES AND FINANCE COMMITTEE

May 1, 2018, 9:30 AM
IN THE COUNCIL CHAMBER
Members

Mayor N. Nenshi, Chair
Councillor S. Chu, Vice-Chair
Councillor D. Colley-Urquhart (CPS Chair)
Councillor S. Keating (T&T Chair)
Councillor J. Magliocca (PUD Chair)
Councillor W. Sutherland
Councillor E. Woolley (Audit Chair)

1. CALL TO ORDER
2. OPENING REMARKS
3. CONFIRMATION OF AGENDA
4. CONFIRMATION OF MINUTES
 - 4.1 Minutes of the Regular Meeting of the Priorities and Finance Committee, 2018 April 10
5. POSTPONED REPORTS
(including related/supplemental reports)
(None)
6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 6.1 10 Year Economic Strategy Update - Deferral, PFC2018-0543
 - 6.2 2017 Year-End Capital and Operating Revisions Report, PFC2018-0541
 - 6.3 Affordable Housing Capital Development Program, PFC2018-0491
Attachment 2 held confidential subject to Sections 23 and 24 of *FOIP*.
 - 6.4 Report on Sustainability Framework for Calgary's Cornerstone Arts Organizations, PFC2018-0357

- 6.5 Assessment and Tax Circumstances Report, PFC2018-0158
- 6.6 Business Tax Consolidation- 2018 Annual Status Report, PFC2018-0190
- 6.7 Rate Change for the Community Aggregate Payment (CAP) Levy, PFC2018-0463
- 6.8 Proposed Code of Conduct for Elected Officials Bylaw, PFC2018-0554
- 6.9 Status of Outstanding Motions and Directions, PFC2018-0496

7. ITEMS DIRECTLY TO COMMITTEE

- 7.1 REFERRED REPORTS
(None)
- 7.2 NOTICE(S) OF MOTION
(None)

8. URGENT BUSINESS

9. CONFIDENTIAL ITEMS

- 9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES
 - 9.1.1 Calgary Public Library Board - Resignation, PFC2018-0551
Held confidential subject to Section 17 of *FOIP*.
- 9.2 URGENT BUSINESS

10. ADJOURNMENT



MINUTES
PRIORITIES AND FINANCE COMMITTEE

April 10, 2018, 9:30 AM
IN THE COUNCIL CHAMBER

PRESENT:

Mayor N. Nenshi, Chair
Councillor S. Chu, Vice-Chair
Councillor G. Chahal (Audit Alternate)
Councillor D. Colley-Urquhart (CPS Chair)
Councillor S. Keating (T&T Chair)
Councillor J. Magliocca (PUD Chair)
Councillor W. Sutherland (UCS Chair)
Councillor G-C. Carra
Councillor J. Davison
Councillor P. Demong
Councillor J. Farkas
Councillor D. Farrell
Councillor J. Gondek

ALSO PRESENT:

City Solicitor and General Counsel G. Cole
Chief Financial Officer E. Sawyer
City Clerk L. Kennedy
Deputy City Clerk B. Hilford
Legislative Recorder J. Lord Charest
Legislative Assistant M. A. Cario

1. CALL TO ORDER

Mayor Nenshi called the Meeting to order at 9:33 a.m.

2. OPENING REMARKS

Mayor Nenshi acknowledged the passing of Vera Swanson, who became a champion of the creation and development of the Calgary Centre for the Performing Arts - now Arts Commons.

Mayor Nenshi asked for a Moment of Silence to honour the Humboldt Broncos hockey team.

3. CONFIRMATION OF AGENDA

Moved by Councillor Chu

That the Agenda for the 2018 April 10 Regular Meeting of the Priorities and Finance Committee be confirmed.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

- 4.1 Minutes of the Regular Meeting of the Priorities and Finance Committee, 2018 March 22

Moved by Councillor Chu

That the Minutes of the Priorities and Finance Committee held on 2018 March 22, be confirmed.

MOTION CARRIED

5. POSTPONED REPORTS

None

6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

- 6.1 Olympic Bid Proposed Public Engagement Approach, PFC2018-0366

A PowerPoint presentation entitled "Combined Presentation to PFC", dated 2018 April 10, was distributed with respect to Reports PFC2018-0366 and PFC2018-0373.

Subject to Section 6(1) of Procedure Bylaw 35M2017, Section 77(c) be suspended, by general consent, to allow Members additional time for questions to Administration.

Subject to Section 6(1) of Procedure Bylaw 35M2017, Section 78(2)(a) be suspended, by general consent, to allow Members to finish their questions of clarification to Administration prior to the scheduled 12:00 p.m. recess.

Councillor Farkas raised a Point of Order regarding the speakers on this item.

Mayor Nenshi ruled against Councillor Farkas' Point of Order.

Councillors Keating and Gondek raised Points of Order regarding comments from two Members of Council.

Mayor Nenshi ruled for Councillors Keating and Gondek's Points of Order and both Members of Council retracted their statements.

Committee recessed at 12:14 p.m. and reconvened at 1:15 p.m. with Councillor Chu in the Chair.

Councillor Colley-Urquhart was elected Acting Vice-Chair of the 2018 April 10 Regular Meeting of the Priorities and Finance Committee, by acclamation.

The following Clerical Corrections were noted to Report PFC2018-0366:

- to page 5 of 9 of the Cover Report, under the heading "Engagement Principles and Program Streams", by adding a new bullet with the word "Neutrality"; and

- to page 5 of 13 of Attachment 1, under the heading "1.7 Guiding Principles", by adding a new bullet with the word "Neutrality" along with a descriptor aligned with the other guiding principles indicated.

Moved by Councillor Farkas

That subject to Section 31(3) of the Procedure Bylaw 35M2017, that the Priorities and Finance Committee allow members of the public to address the Committee with respect to Reports PFC2018-0366 and PFC2018-0373.

RECORDED VOTE

For: (3): Councillor Chu, Councillor Farkas, and Councillor Farrell

Against: (9): Mayor Nenshi, Councillor Chahal, Councillor Colley-Urquhart, Councillor Keating, Councillor Magliocca, Councillor Sutherland, Councillor Carra, Councillor Davison, and Councillor Gondek

MOTION DEFEATED

Moved by Councillor Colley-Urquhart

Amendment

That Recommendation 2 put on the floor of Committee with respect to Report PFC2018-0366 be amended by adding a new Recommendation 2(b), as follows:

2. Contingent upon the reaffirmation of support by Council with respect to Recommendation 1:

That Council:

b) Direct Administration to draft a new Terms of Reference (encompassing the Guiding Principles) for the Engagement Advisory Panel, in consultation with Members of Council, and report back directly to Council no later than June 2018, and further direct Administration to incorporate comments received through PFC and Council.

MOTION CARRIED

Moved by Councillor Farkas

Amendment

That Recommendation 2 put on the floor of Committee with respect to Report PFC2018-0366 be amended by adding a new Recommendation 2(c), as follows:

2. Contingent upon the reaffirmation of support by Council with respect to Recommendation 1:

That Council:

c) Hold a non-statutory public hearing.

MOTION CARRIED

Moved by Councillor Farrell

That with respect to Report PFC2018-0366, the following be approved, **after amendment**:

That the Priorities and Finance Committee (PFC) recommends that Council:

1. At its 2018 April 16 Meeting, reaffirm Council's support prior to proceeding with further work on a potential Olympic Bid through a resolution to be dealt with prior to these recommendations;

RECORDED VOTE

For: (9): Councillor Chu, Councillor Colley-Urquhart, Councillor Keating, Councillor Magliocca, Councillor Sutherland, Councillor Demong, Councillor Farkas, Councillor Farrell, and Councillor Gondek

Against: (1): Councillor Chahal

MOTION CARRIED

Moved by Councillor Farrell

That with respect to Report PFC2018-0366, the following be approved, **as amended and after amendment**:

That the Priorities and Finance Committee (PFC) recommends that Council:

2. Contingent upon the reaffirmation of support by Council with respect to Recommendation 1:

a) Postpone the Public Engagement Approach (Attachment 1), dependent on the outcome of Recommendation 1, until further direction is provided by Council;

b) Direct Administration to draft a new Terms of Reference (encompassing the Guiding Principles) for the Engagement Advisory Panel, in consultation with Members of Council, and report back directly to Council no later than June 2018, and further direct Administration to incorporate comments received through PFC and Council; and

c) Hold a non-statutory public hearing.

And further, that this report be forwarded as an item of urgent business to the 2018 April 16 Public Hearing Meeting of Council.

MOTION CARRIED

6.2 Vote of the Electors (Plebiscite), PFC2018-0373

Subject to Section 6(1) of Procedure Bylaw 35M2017, Section 78(2)(b) be suspended, by general consent, to allow Committee to complete today's Agenda prior to the scheduled 3:15 p.m. recess.

Committee recessed at 3:54 p.m. at the Call of the Chair and reconvened at 4:02 p.m. with Councillor Chu in the Chair.

Moved by Councillor Keating

That with respect to Report PFC2018-0373, the following be approved, **after amendment**:

That Priorities and Finance Committee recommend that Council receive this report for information.

And further, that this Report be forwarded as an Item of Urgent Business to the 2018 April 16 Public Hearing Meeting of Council.

Against: Councillor Gondek

MOTION CARRIED

Moved by Councillor Chahal

That the following Reports be forwarded directly to Council as items of unfinished business:

1. Item 6.4, Transportation Strategic Leadership Plan, PFC2018-0398, as an item of urgent business, to the 2018 April 16 Public Hearing of Council; and
2. Item 6.5, Proposed Amendments to the Council Policy on Governance and Appointments of Boards, Commissions and Committees, PFC2018-0444, to the 2018 April 23 Regular Meeting of Council, under the "Items from Officers, Administration and Committees" section of the Agenda.

MOTION CARRIED

6.3 The City's Strategic Plan Principles, PFC2018-0445

A PowerPoint presentation entitled "The City's Strategic Plan Principles, PFC2018-0388", dated 2018 April 10, was distributed.

Moved by Councillor Colley-Urquhart

That with respect to Report PFC2018-0445, the following be approved:

That the Priorities and Finance Committee recommends that Council approve the five Strategic Plan Principles outlined in Attachment 1.

MOTION CARRIED

6.4 Transportation Strategic Leadership Plan, PFC2018-0398

This item was forwarded as an item of unfinished urgent business to the 2018 April 16 Public Hearing of Council.

6.5 Proposed Amendments to the Council Policy on Governance and Appointments of Boards, Commissions and Committees (CP2016-03), PFC2018-0444

This item was forwarded as an item of unfinished business to the 2018 April 23 Regular Meeting of Council.

6.6 Status of Outstanding Motions and Directions, PFC2018-0318

Moved by Councillor Gondek

That with respect to Report PFC2018-0318, the following be approved:

That the Priorities and Finance Committee receive this report for information.

MOTION CARRIED

7. ITEMS DIRECTLY TO COMMITTEE

7.1 REFERRED REPORTS

None

7.2 NOTICE(S) OF MOTION

None

8. URGENT BUSINESS

None

9. CONFIDENTIAL ITEMS

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

None

9.2 URGENT BUSINESS

None

10. ADJOURNMENT

Moved by Councillor Chahal

That this meeting adjourn at 4:16 p.m.

MOTION CARRIED

THE FOLLOWING ITEMS HAVE BEEN FORWARDED, AS ITEMS OF URGENT BUSINESS, TO THE 2018 APRIL 16 PUBLIC HEARING MEETING OF COUNCIL:

URGENT BUSINESS

Olympic Bid Proposed Engagement Program, PFC2018-0366

Vote of the Electors (Plebiscite), PFC2018-0373

Transportation Strategic Leadership Plan, PFC2018-0398

THE FOLLOWING ITEMS HAVE BEEN FORWARDED TO THE 2018 APRIL 23 REGULAR MEETING OF COUNCIL:

CONSENT

The City's Strategic Plan Principles, PFC2018-0445

ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

Proposed Amendments to Council Policy on Governance and Appointments of Boards
Commissions and Committee's (CP2016-03), PFC2018-0444

The next Regular Meeting of the Priorities and Finance Committee has been scheduled
to be held on 2018 May 01 at 9:30 a.m.

CHAIR

ACTING CITY CLERK

UNCONFIRMED

**Community Services Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0543
Page 1 of 3**

10 Year Economic Strategy Update - Deferral

EXECUTIVE SUMMARY

As directed by Council, Calgary Economic Development (CED) as steward of *building on our energy: an Economic Strategy for Calgary*, brings an annual update on implementation of the Strategy to the Priorities and Finance Committee no later than May each year. This report requests a deferral of that annual update to provide sufficient time for CED to refresh the Strategy and bring it forward to the Priorities and Finance Committee for approval by Q3 alongside the 2017 Strategy update.

Providing additional time will allow CED to bring forward both an update on activities in 2017 that furthered implementation of the Strategy, and a refreshed Strategy that addresses emerging issues and reflects the changes in Calgary's economic conditions since the Strategy was last updated in 2015.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council defer the 10 Year Economic Strategy Update report to be brought to the Priorities and Finance Committee by Q3 2018.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 May 29, Council approved Administration's recommendation in PFC2017-0472 10 Year Economic Strategy Update be adopted as follows: That the Priorities and Finance Committee recommends that Council receive this report for information.

On 2016 June 13, Council approved that Administration's recommendation in PFC2016-0396 10 Year Economic Strategy Update be adopted as follows: That the Priorities and Finance Committee recommends that Council receive this report for information.

On 2016 February 22, Council approved that Administration's recommendations in C2016-0176 be adopted, as follows: That Council 1. Receive this report for information; and 2. Direct Calgary Economic Development to report back with Innovate Calgary and Administration to the Priorities and Finance Committee with a plan to develop an Innovation Framework for Calgary for approval no later than 2016 May prior to release of \$325 thousand of the \$7 million referenced in recommendation 1 of PFC2016-0081.

On 2016 February 2, the Priorities and Finance Committee approved Administration recommendation 1 contained in PFC2016-0081 as follows: That the Priorities and Finance Committee recommend that Council: 1. Approve a one-time increase to operating budget program 449 - Calgary Economic Development by \$7 million from the Community Economic Resiliency Fund to carry out the initiatives detailed in Attachment 1 and direct Calgary Economic Development to report back on the use of the funds through their 10-Year Economic Strategy updates to the Priorities and Finance Committee; and that Administration Recommendation 4 contained in Report PFC2016-0081 be approved, as amended, as follows: That the Priorities and Finance Committee recommend that Council: 4. Direct Administration to provide a supplementary report to the 2016 February 22 Meeting of Council containing more information as requested at today's meeting, with respect to Recommendations 1 and 2.

**Community Services Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0543
Page 2 of 3**

10 Year Economic Strategy Update - Deferral

On 2015 December 15, Council approved the 10 Year Economic Strategy Update (PFC2015-0821) and directed Calgary Economic Development to provide an annual report to the Priorities and Finance Committee no later than May each year, commencing 2016 May.

On 2014 November 3, Council adopted *building on our energy: an Economic Strategy for Calgary* including implementation plan, and directed Calgary Economic Development Ltd. to provide an annual report on the Strategy to the Priorities and Finance Committee no later than December, commencing 2015 December (PFC2014-0809).

BACKGROUND

Calgary Economic Development (CED), a Civic Partner, is the steward of *building on our energy: an Economic Strategy for Calgary*. As part of its work, CED brings an update to the Priorities and Finance Committee by May of each year. The update includes information on activities from organizations working across the community and The City that are supporting the Strategy's 32 actions.

The Strategy adopts a collaborative model with each of the Strategy's 32 actions and related 143 tactics assigned to a lead organization and other stakeholders identified as providing support. Representatives from lead organizations including Administration, Civic Partners, post-secondary institutions, not for profit agencies, and the provincial and federal governments sit on a Leadership and Implementation Team that provides advice and guidance. Success of the *Economic Strategy* is based on cross-sector collaboration and participation.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Since the Strategy was approved by Council in 2015, Calgary's economic conditions have changed dramatically. To ensure the Strategy is a living document that can guide collective actions in Calgary to build a competitive, vibrant and global city, CED is leading a process to update and refresh the strategy. The refresh will also leverage and align with opportunities related to The City's work as part of the 100 Resilient Cities network.

To optimize use of time, CED has proposed to bring the refreshed Strategy forward at the same time as the annual update to the Priorities and Finance Committee. The deferral will ensure CED has the time required to bring both items forward together. CED has planned to bring the update report to PFC by Q3 2018.

Stakeholder Engagement, Research and Communication

Calgary Economic Development requested additional time this year to allow for updates to the *Economic Strategy for Calgary* to be presented at the same time as the annual implementation update, and was engaged in the drafting of this deferral report.

Strategic Alignment

CED's *Economic Strategy for Calgary* closely aligns with Action Plan 2015-2018, the Municipal Development Plan, Corporate Industrial Land Strategy, imagineCALGARY, Centre City Plan, and Enough for All.

**Community Services Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0543
Page 3 of 3**

10 Year Economic Strategy Update - Deferral

CED is a member of The City's Resilience Team and is aligning this work with City programs and initiatives related to economic development. Administration is also working with CED to leverage resources and support available to The City through The City's 100 Resilient Cities membership.

CED also participates on the Implementation Leadership Council for the *Enough for All Strategy* and the Stewardship Group for imagineCALGARY to ensure continued alignment throughout the implementation of the *Economic Strategy for Calgary*.

Social, Environmental, Economic (External)

The Strategy is a key method of delivering on the following Council Strategies in Action Plan 2015-2018:

- P1. Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.
- P2. Advance purposeful economic diversification and growth.
- P3. Support civic, business and community partners, as well as business revitalization zones to collaborate and attract local and global investment.

Financial Capacity

Current and Future Operating Budget:

There is no operating budget impact. Funding for implementation of the Strategy is included in Action Plan 2015-2018. In 2016, an additional \$7 million in one-time funding was allocated from the Community Economic Resiliency Fund to accelerate implementation of the Strategy.

Current and Future Capital Budget:

There are no impacts regarding this request.

Risk Assessment

If CED brings forward the Strategy update report in May, it will be required to bring a second report at a later date to present the refreshed Strategy. While combining the two items in one report will ensure the effective use of resources, there may be a community expectation to see the report in May, as that has been the practice since 2016. The combined report will therefore be presented as near to May as possible, likely just one month later.

REASON(S) FOR RECOMMENDATION(S):

This report requests a deferral to provide sufficient time for CED to finish a refresh of the *Economic Strategy for Calgary* and bring it forward to the Priorities and Finance Committee for approval by Q3 2018 alongside the 2017 Strategy update.

ATTACHMENT(S)

None

2017 YEAR-END CAPITAL AND OPERATING BUDGET REVISIONS REPORT

EXECUTIVE SUMMARY

This report informs Council of Administration's approved net operating budget revisions for the period of 2017 July 01 to 2017 December 31. This report also includes capital budget revisions for the period of 2017 July 01 to 2018 March 31 that have been previously approved or require Council approval.

ADMINISTRATION RECOMMENDATION(S)

That Council:

1. Approve capital budget revisions, as identified in Attachment 1; and
2. Receive for information:
 - a. Attachment 2 - Capital Budget Revisions – Previously approved;
 - b. Attachment 3 - Capital Budget Revision Summary;
 - c. Attachment 4 - 2017 Operating Net Budget Changes; and
 - d. Attachment 5 - Council Decisions/Referrals Having Actual or Potential Future Year Operating Budget Impacts.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2006 February 27, Council approved Budget Reporting Policy CFO006 which authorizes administration to approve net departmental changes up to \$200,000 (FSC2006-08).

Council approved the 2015-2018 capital and operating budgets in the 2014 November 24 Special Meeting of Council (C2014-0863). Council subsequently received for information revisions to the capital and operating budgets contained in Mid-year and Year-end revision reports.

BACKGROUND

The purpose of the revisions report is to provide Council with consolidated information on all changes to budgets in order to maintain continuity and transparency with both the operating and capital budgets. In this report, only Attachment 1 contains changes that require Council approval. All other changes noted have been previously approved by Council or are within Administration's discretion to approve under CFO006.

Capital

On 2017 September 05, Council approved the 2017 April 01 to 2017 June 30 capital budget revisions (PFC2017-0615).

In accordance with Council Policy CFO006, this report provides for information the capital budget revisions previously approved by Administration or Council during the period of 2017 July 01 to 2018 March 31 (Attachment 2). In addition, this report requests for approval capital budget revisions for the period of 2018 January 01 to 2018 March 31 (Attachment 1).

Operating

2017 YEAR-END CAPITAL AND OPERATING BUDGET REVISIONS REPORT

In accordance with Council Policy CFO006, this report provides for information changes to the 2017 net operating budget between 2017 July 01 and 2017 December 31. During this period, there were no changes to the operating budget that require Council approval.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Capital

Attachment 1 contains budget revisions requiring Council approval including increases, relinquishments and net-zero transfers from 2018 January 01 to March 31. The net impact of the capital budget revisions requiring Council approval is a decrease of \$47.5 million (\$63.2 million budget relinquishment in 2018 offset by a \$15.7 million budget increase request in 2018).

Attachment 2 outlines the budget revisions that have either been approved by Administration (revisions with a net departmental impact under \$200,000) or by Council through a separate report. For the period of 2017 July 01 to 2018 March 31, Administration approvals included relinquishments due to project completion and reallocation of funds by Infrastructure Calgary as well as realignment of capital projects resulting from a departmental reorganization (no impact on project budgets). During this time period, Council approved multiple Council Reports (\$69.2 million) and Infrastructure Calgary implementation plans (\$8.7 million) for a total net impact of \$77.9 million increase to the capital budget (\$73.4 million in the last half of 2017 and \$4.5 million during the first quarter of 2018). These implementation plans include the new, or currently unfunded projects approved in principle on 2017 March 06 (C2017-0214) and are funded by corporate capacity identified by Infrastructure Calgary. The individual implementation plans were approved through various reports (as noted in Attachment 2) during this period.

Attachment 3 provides a summary by business unit of the capital budget as of 2017 June 30 (per the last revision report PFC2017-03615), revisions included in Attachments 1 and 2 and the revised budget after these changes. This is provided to allow Council to maintain continuity of the capital budget changes. As a result of the changes noted above, the net impact to the capital budget is an increase of \$29.9 million (increase of \$43.2 million in 2017, decrease of \$24.1 million in 2018 and increase of \$10.7 million in 2019 - 2022). The 2018 capital budget is also increased by a further \$333.7 million due to the carryforward of unspent 2017 capital budget. The revised 2018 capital budget after these revisions is \$2.0 billion as of March 31, 2018.

Operating

Attachment 4 shows the changes to the 2017 net operating budget between 2017 July 01 and 2017 December 31. Council approval is not required for Attachment 4 as these changes have either been previously approved by Council or are within the scope of Administration to authorize as per Council Policy. This is provided to inform Council of the changes that have occurred in the period due to either Council or Administration approvals to allow Council to maintain continuity of the operating budget.

For the period of 2017 July 01 to 2017 December 31, the following changes were made:

- Carry forwards from the 2017 budget to the 2018 budget of one-time funding approved by Council during the 2018 Adjustments (C2017-1123 Attachment 5),
- Adjustments approved by Administration to the carry forwards of one-time funding,

**Chief Financial Officer's Report to
Priorities & Finance Committee
2018 May 1**

**ISC: UNRESTRICTED
PFC2018-0541
Page 3 of 4**

2017 YEAR-END CAPITAL AND OPERATING BUDGET REVISIONS REPORT

- Distributions from corporate to business unit budgets for:
 - Union settlements,
 - Electricity inflation,
 - Approval of FTEs and budget for growth positions by the Corporate Work Force Planning Committee,
- Transfers between business units due to organizational changes, and
- Net zero adjustments.

Attachment 5 lists Council decisions and referrals which have an actual or potential future year budget impact. This is provided to meet the requirement of NM2008-53 to track Council decisions and referrals.

Stakeholder Engagement, Research and Communication

Department budget actions are predicated on directions received from Council during the 2015-2018 Action Plan deliberations. Actions also reflect subsequent Council directions and actual spending patterns.

Strategic Alignment

This report summarizes budget revisions that align with direction and priorities established in the approved 2015 – 2018 business plans and budgets. The revision process allows Administration to adapt to changes in economic conditions and the external environment, incorporate additional information that is available, and allow long term objectives to be met and support Council's priorities of a Well Run City and a Prosperous City.

Social, Environmental, Economic (External)

The economic situation has significantly weakened in Calgary since the time Action Plan was approved in 2014 November. Revisions to the capital and operating budgets reflect changes that have been made in response to the economic downturn.

Financial Capacity

Current and Future Operating Budget:

There is no net impact to the operating budget. Operating budget revisions reflect recommended changes based on Council and Administrative directions.

Current and Future Capital Budget:

Capital budget revisions for Council approval result in a net decrease of \$47.5 million to the capital budget (\$52.5 million decrease in 2018 offset by an increase of \$5 million in 2020). Previously approved capital budget revisions resulted in a net increase of \$43.2 million in 2017, \$28.4 million in 2018 and \$5.7 million in 2019 – 2022.

Risk Assessment

The delay in approving the budget requests and transfers in Attachment 1 could impact the timely delivery of capital projects.

**Chief Financial Officer's Report to
Priorities & Finance Committee
2018 May 1**

**ISC: UNRESTRICTED
PFC2018-0541
Page 4 of 4**

2017 YEAR-END CAPITAL AND OPERATING BUDGET REVISIONS REPORT

REASON(S) FOR RECOMMENDATION(S):

Administration is requesting changes included in Attachment 1 to align budgets with work plans and priorities.

The following attachments are being provided for information as no approval is required.

- Attachment 2 is providing a summary of previously approved revisions.
- Attachment 3 is providing a summary of changes made in Attachments 1 and 2.
- Attachment 4 is providing the operating net budget changes previously approved by Council and Administration.
- Attachment 5 is provided to meet the requirement of NM2008-53 to track Council decisions and referrals.

ATTACHMENT(S)

1. Capital Budget Revisions – For Approval
2. Capital Budget Revisions – Previously Approved
3. Capital Budget Revision Summary
4. 2017 Operating Net Budget changes
5. Council Decisions/Referrals Having Actual or Potential Future Year Operating Budget Impacts

**CAPITAL BUDGET REVISIONS - FOR APPROVAL
FOR THE PERIOD 2018 JANUARY 1 TO MARCH 31
(\$000s)**

Program - Project	Project Descriptions	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	2022 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
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Relinquishments

UTILITIES							
892-000	Water Distribution Network	(16,348)	-	-	-	-	(16,348)
894-000	Wastewater Treatment Plants	(12,452)	-	-	-	-	(12,452)
895-000	Wastewater Collection Network	(19,174)	-	-	-	-	(19,174)
897-000	Drainage Facilities & Network	(7,589)	-	-	-	-	(7,589)
899-000	Facilities, Equipment & Technology	(4,687)	-	-	-	-	(4,687)
952-001	Flood-Water	(1,045)	-	-	-	-	(1,045)
952-003	Flood-Drainage	(1,878)	-	-	-	-	(1,878)
	Total	(63,173)	-	-	-	-	(63,173)
Total approved project budgets of \$4,171.131 million. Relinquish \$63.173 million budget and funding due to revised cost estimation. The funding for these projects is Self-supported Debt of \$55.563 million, Flood Funding of \$2.923 million, and Capital Reserves of \$4.687 million.							

Total Relinquishments	(63,173)	-	-	-	-	-	(63,173)
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Increases

CALGARY COMMUNITY STANDARDS							
	Previously Approved Budget	10,880	-	-	-	-	10,880
045-010	Emergency Services Quality Assurance Program	3,100	-	-	-	-	3,100
045-013	NG911 Technology Upgrades	450	-	-	-	-	450
	Total New Request	3,550	-	-	-	-	3,550
	Revised Budget	14,430	-	-	-	-	14,430
Budget request of \$3.55 million for Calgary 911 telephone upgrade project and Police Protocol system implementation is funded by Private Contributions for \$3.1 million and Capital Reserves for \$0.45 million.							
CALGARY RECREATION							
933-004	Shouldice Athletic Park Artificial Turf Replacement						
	Previously Approved Budget	7,652	-	-	-	-	7,652
	New Request	300	-	-	-	-	300
	Revised Budget	7,952	-	-	-	-	7,952
Budget request of \$0.3 million for the completion of the Shouldice AP turf replacement project is funded by 2013 Flood Funding.							
CALGARY PARKS							
	Previously Approved Budget	1,863	2,400	-	-	-	4,263
504-631	Cemetery Development	1,600	-	-	-	-	1,600
504-633	Cemetery Lifecycle	150	-	-	-	-	150
	Total New Request	1,750	-	-	-	-	1,750
	Revised Budget	3,613	2,400	-	-	-	6,013
Budget request of \$1.75 million for South cemetery expansion and ongoing perpetual care maintenance is funded by Capital Reserves.							
ROADS							
	Previously Approved Budget	54,262	-	-	-	-	54,262
127-130	New Traffic Signals and Pedestrian Corridors	900	-	-	-	-	900
147-148	Local Improvement - Paving, Sidewalk C&G	1,200	-	-	-	-	1,200
128-134	Various Concrete Construction	250	-	-	-	-	250
127-140	Various Street Improvements	400	-	-	-	-	400
128-132	Pavement Rehabilitation	400	-	-	-	-	400
128-885	Bridge Rehabilitation and Protection	3,250	-	-	-	-	3,250
128-136	Plants Capital	400	-	-	-	-	400
	Total New Request	6,800	-	-	-	-	6,800
	Revised Budget	61,062	-	-	-	-	61,062
Budget request of \$6.8 million for the above projects for critical work requirements in 2018 relating to new traffic signals in developing areas, block replacements, and bridge rehabilitation and protection. The funding for these projects is from Capital Reserves of \$0.4 million and Developer and Other Contributions for \$6.4 million.							

**CAPITAL BUDGET REVISIONS - FOR APPROVAL
FOR THE PERIOD 2018 JANUARY 1 TO MARCH 31
(\$000s)**

Program - Project	Project Descriptions	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	2022 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
<u>TRANSPORTATION INFRASTRUCTURE</u>							
	Previously Approved Budget	86,131	47,701	17,586	-	-	151,418
234-003	Operational Improvement Projects	1,000	-	-	-	-	1,000
570-001	Southwest & West Ring Road Connections	2,269	-	-	-	-	2,269
	Total New Request	3,269	-	-	-	-	3,269
	Revised Budget	89,400	47,701	17,586	-	-	154,687
Budget request of \$3.269 million for the above projects funded by Developer and Other Contributions.							

Total Increases	15,669	-	-	-	-	-	15,669
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Transfers

<u>CALGARY FIRE DEPARTMENT</u>							
042-B01	Lifecycle Maintenance - Facility	(400)	-	-	-	-	(400)
<u>CALGARY EMERGENCY MANAGEMENT AGENCY</u>							
049-004	Equipment acquisition	400	-	-	-	-	400
	Total	-	-	-	-	-	-
Transfer of \$0.4 million funded by Pay-As-You-Go.							
<u>CALGARY HOUSING</u>							
489-BGD	Bridgeland	(1,400)	-	-	-	-	(1,400)
489-014	Lifecycle Maintenance	1,400	-	-	-	-	1,400
	Total	-	-	-	-	-	-
Transfer of \$1.4 million funded by Capital Reserves.							
<u>CALGARY PARKS</u>							
502-026	UF Upgrades	(1,079)	(200)	-	-	-	(1,279)
502-028	UF Lifecycle	(164)	(1,700)	-	-	-	(1,864)
500-006	Park Upgrades	1,079	200	-	-	-	1,279
500-008	Park Lifecycle	164	1,700	-	-	-	1,864
	Total	-	-	-	-	-	-
Transfer of \$3.143 million funded by Private Contributions for \$1.177 million, Community Investment Fund \$1.864 million, and Capital Reserves for \$0.102 million.							
<u>CALGARY POLICE SERVICE</u>							
038-381	Infrastructure Upgrade - Int./Ext.	19,221	8,000	-	-	-	27,221
038-451	Ballistics Lab & Fire Arms Storage	(1,500)	-	-	-	-	(1,500)
038-452	North Deerfoot Modifications & Improvements	(2,000)	-	-	-	-	(2,000)
038-479	Annex Building - Spyhill	(15,021)	(8,000)	-	-	-	(23,021)
038-486	NSC Indoor Range	(700)	-	-	-	-	(700)
	Total	-	-	-	-	-	-
Transfer of \$27.221 million as part of an internal re-alignment of capital projects funded by Pay-As-You-Go for \$2.2 million, Lifecycle Maintenance and Upgrade Reserve for \$2 million, Developer and Other Contributions for \$4 million, and MSI for \$19.021 million.							
<u>CALGARY RECREATION</u>							
519-150	Land Purchase for Rocky Ridge Athletic Park	(2,500)	-	-	-	-	(2,500)
506-694	Rocky Ridge Rec Facility	(975)	-	-	-	-	(975)
506-694	Rocky Ridge Rec Facility	2,500	-	-	-	-	2,500
506-698	Great Plains Rec Facility	975	-	-	-	-	975
933-002	Shaganappi Golf Course Pumphouse	(1,168)	-	-	-	-	(1,168)
933-001	MapleRidge Golf Course Pumphouse	1,168	-	-	-	-	1,168
	Total	-	-	-	-	-	-
Transfer of \$4.643 million funded by 2013 Flood Funding of \$1.168 million, MSI of \$2.5 million and Tax Supported Debt of \$0.975 million.							
<u>CALGARY RECREATION</u>							
506-694	Rocky Ridge Rec Facility	(5,000)	-	-	-	-	(5,000)
<u>CIVIC PARTNERS</u>							
479-004	Sage Hill Library	-	-	5,000	-	-	5,000
	Total	(5,000)	-	5,000	-	-	-
Transfer of \$5 million funded by MSI.							

**CAPITAL BUDGET REVISIONS - FOR APPROVAL
FOR THE PERIOD 2018 JANUARY 1 TO MARCH 31
(\$000s)**

Program - Project	Project Descriptions	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	2022 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
<u>CORPORATE SECURITY</u>							
710-021	Public Safety Network CCTV Expansion and Redundancy	(168)	-	-	-	-	(168)
710-023	Highly Restricted Zone Architecture and Account Pa	(49)	-	-	-	-	(49)
710-025	Incident and Event Management System	(15)	-	-	-	-	(15)
710-026	Information Security (previously Intrusion Prevention Systems)	433	-	-	-	-	433
710-028	Roles-Based Access Project	(286)	-	-	-	-	(286)
710-031	Network Analytics	(74)	-	-	-	-	(74)
710-032	E-Discovery and Forensics	(9)	-	-	-	-	(9)
710-034	Commend Security Intercom Redundancy	(30)	-	-	-	-	(30)
710-035	Enterprise System Redundancy Project	(316)	-	-	-	-	(316)
710-036	Video Analytics and Video Management Software Solu	(40)	-	-	-	-	(40)
710-038	Physical Security (previously Office relocation and upgrades)	960	-	-	-	-	960
710-039	Information Management System	(250)	-	-	-	-	(250)
710-040	Training and E-Learning Systems	(156)	-	-	-	-	(156)
	Total	-	-	-	-	-	-
	Transfer of \$1.393 million funded by Pay-As-You-Go.						
<u>ROADS</u>							
127-140	Various Street Improvements	(400)	-	-	-	-	(400)
128-135	Roads Equipments & Systems	400	-	-	-	-	400
	Total	-	-	-	-	-	-
	Transfer of \$0.4 million funded by Pay-As-You-Go.						
<u>TRANSPORTATION INFRASTRUCTURE</u>							
863-001	Glenmore Trail & 68 Street SE Intersection Enhancement	(4,925)	-	-	-	-	(4,925)
<u>REAL ESTATE & DEVELOPMENT SERVICES</u>							
697-G68	Glenmore Trail & 68 Street SE Intersection Enhancement	4,925	6,339	-	-	-	11,264
888-001	Capital Corporate Programs	-	(6,339)	-	-	-	(6,339)
	Total	-	-	-	-	-	-
	Transfer of \$11.264 million due to a change in project coordination. Project was originally funded by MSI for \$4.3 million, Developer and Other Contributions for \$0.625 million, and \$6.339 million previously contributed to the Capital BSA. A funding switch will be completed to replace these funding sources with the Real Estate Capital Reserve to free up Infrastructure Calgary capacity.						
<u>TRANSPORTATION INFRASTRUCTURE</u>							
569-001	Centre City Mobility Program	(1,793)	(207)	-	-	-	(2,000)
<u>CALGARY PARKS</u>							
500-006	Park Upgrades	1,793	207	-	-	-	2,000
	Total	-	-	-	-	-	-
	Transfer of \$2 million funded by Fuel Tax for \$0.689 million, City Centre Levy for \$0.811 million, and Capital Reserves for \$0.5 million.						
<u>WASTE & RECYCLING SERVICES</u>							
256-000	Landfill/Treatment Infrastructure	2,500	-	-	-	-	2,500
257-000	Diversion Infrastructure	(2,500)	-	-	-	-	(2,500)
256-000	Landfill/Treatment Infrastructure	1,500	-	-	-	-	1,500
258-000	Facilities & Equipment	(1,500)	-	-	-	-	(1,500)
	Total	-	-	-	-	-	-
	Transfer of \$4 million funded by Capital Reserves.						
Total Transfers		(5,000)	-	5,000	-	-	-
Total Revisions for Approval		(52,504)	-	5,000	-	-	(47,504)

CAPITAL BUDGET REVISIONS - PREVIOUSLY APPROVED
(\$000s)
For information

PART 1: FOR THE PERIOD 2017 JULY 1 TO DECEMBER 31

Program - Project	Project Descriptions	2017 Increase/ (Decrease)	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
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Previously Approved by Administration

Relinquishments

CALGARY COMMUNITY STANDARDS							
048-016	Renovation of New Stockman Space	-	(125)	-	-	-	(125)
Total approved project budget of \$0.250 million. Relinquishment of \$0.125 million funded by Capital Reserves.							
CALGARY PARKS							
932-002	Flood Parks Bldgs	(61)	-	-	-	-	(61)
932-003	Flood Major Parks	(100)	-	-	-	-	(100)
	Total	(161)	-	-	-	-	(161)
Total approved project budget of \$14.830 million. Relinquishment of \$0.161 million funded by 2013 Flood Funding.							
CALGARY PARKING AUTHORITY							
106-001	Replacement of vehicles and equipment	-	(30)	-	-	-	(30)
106-004	City Hall Parkade	-	(200)	-	-	-	(200)
106-010	Kensington/AntHill development	-	(125)	-	-	-	(125)
106-020	Impound Lot Building Replacement Project	-	(50)	-	-	-	(50)
106-008	Office equipment and furniture	-	(55)	-	-	-	(55)
106-021	Security system & parts	-	(200)	-	-	-	(200)
106-032	Convention Centre Parkade	-	(40)	-	-	-	(40)
106-007	Parking Enforcement	-	(27)	-	-	-	(27)
	Total	-	(727)	-	-	-	(727)
Total approved project budget of \$30.778 million. Relinquishment of \$0.727 million funded by Capital Reserves.							

Increases

<u>CALGARY PARKS</u>								
500-006	Parks Upgrades	Previously Approved Budget	15,788	12,158	8,705	-	-	36,651
		New Request	74	-	-	-	-	74
		Revised Budget	15,862	12,158	8,705	-	-	36,725
Budget request of \$0.074 million for the Confederation Park Deck project is funded by Private Contributions.								
<u>CALGARY PARKING AUTHORITY</u>								
		Previously Approved Budget	11,674	225	-	-	-	11,899
106-006	Surface Lots		-	200	-	-	-	200
106-009	Centennial Parkade		-	125	-	-	-	125
		Total New Request	-	325	-	-	-	325
		Revised Budget	11,674	550	-	-	-	12,224
Budget request of \$0.325 million for the above noted projects funded by Capital Reserves.								
<u>ROADS</u>								
128-134	Various Concrete Construction	Previously Approved Budget	1,149	-	-	-	-	1,149
		New Request	200	-	-	-	-	200
		Revised Budget	1,349	-	-	-	-	1,349
Budget request of \$0.2 million for various concrete construction funded by Developer and Other Contributions.								

Program - Project	Project Descriptions	2017 Increase/ (Decrease)	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
Transfers							
	<u>CALGARY COMMUNITY STANDARDS</u>						
498-001	Capital Conservation Grant	(8,426)	(8,866)	(3,000)	-	-	(20,292)
	<u>CALGARY RECREATION</u>						
498-001	Capital Conservation Grant	8,426	8,866	3,000	-	-	20,292
	Total	-	-	-	-	-	-
	Transfer as part of a corporate re-organization of \$20.292 million funded by Capital Reserves.						
	<u>CORPORATE SECURITY</u>						
710-031	Network Analytics	80	-	-	-	-	80
710-038	Office relocation and upgrades	(80)	-	-	-	-	(80)
	Total	-	-	-	-	-	-
	Transfer of \$0.08 million funded by Pay-As-You-Go.						
	<u>ENVIRONMENTAL SERVICES MANAGEMENT</u>						
815-12F	Technology	-	(40)	-	-	-	(40)
815-14F	Environmental programs	-	(50)	-	-	-	(50)
888-001	Capital Corporate Programs	-	90	-	-	-	90
	Total	-	-	-	-	-	-
	Transfer of \$0.09 million funded by Pay-As-You-Go.						
	<u>SUPPLY</u>						
736-008	Business Applications and Technology	195	-	-	-	-	195
736-001	Business Applications and Technology	(195)	-	-	-	-	(195)
	Total	-	-	-	-	-	-
	Transfer of \$0.195 million funded by Pay-As-You-Go for \$0.09 million and Lifecycle Maintenance and Upgrade Reserve for \$0.105 million.						
Total Previously Approved by Administration		113	(527)	-	-	-	(414)

Program - Project	Project Descriptions	2017 Increase/ (Decrease)	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
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Previously Approved by Council

Increases

CALGARY TRANSIT							
664-07W	LRV purchases						
	Previously Approved Budget	49,803	10,000	-			59,803
	New Request	16,100	8,100	4,800	-	-	29,000
	Revised Budget	65,903	18,100	4,800	-	-	88,803
Council approved this increase of \$29 million for LRV purchases per PFC2017-0287 funded by Federal Infrastructure Funding of \$12.5 million, Fuel Tax for \$6.25 million, GreenTRIP for \$6.25 million and Capital Reserves for \$4 million.							
REAL ESTATE & DEVELOPMENT SERVICES							
	Previously Approved Budget	116	-	-	-	-	116
697-SR1	Saddleridge Area Structure Plan Phase 1	2,380	-	-	225	-	2,605
699-001	Land Acquisition	19,984	-	-	-	-	19,984
	Total New Request	22,364	-	-	225	-	22,589
	Revised Budget	22,480	-	-	225	-	22,705
Council approved these increases of \$22.589 million per verbal report VR2017-0025 and LAS2016-44 funded by Capital Reserves.							
ROADS							
	Previously Approved Budget	23,793	12,200	-	-	-	35,993
128-885	Bridge Rehabilitation and Protection	-	7,880	-	-	-	7,880
147-148	Local Improvement - Paving, Sidewalk C&G	1,364	-	-	-	-	1,364
128-132	Pavement Rehabilitation	-	2,100	-	-	-	2,100
	Total New Request	1,364	9,980	-	-	-	11,344
	Revised Budget	25,157	22,180	-	-	-	47,337
Council approved these increases of \$11.344 million for the above noted projects per C2017-0568, PFC2017-1102 and C2017-1123 funded by Local Improvement Debt for \$1.364 million and Lifecycle Maintenance and Upgrade Reserve for \$9.98 million.							
TRANSPORTATION INFRASTRUCTURE							
583-001	Douglasdale McKenzie Slope						
	Previously Approved Budget	17					17
	New Request	1,766	-	-	-	-	1,766
	Revised Budget	1,783	-	-	-	-	1,783
Council approved this increase of \$1.766 million per TT2015-0816 for the Douglasdale McKenzie Slope project funded by the Reserve for Future Capital.							
CONFIDENTIAL REPORTS							
Council approved this budget increase through the following reports: PFC2017-0556 and PFC2017-1101 funded by capacity identified by Infrastructure Calgary.							
		1,500	6,568	680	-	-	8,748
Total Previously Approved by Council		43,094	24,648	5,480	225	-	73,447

PART 2: FOR THE PERIOD 2018 JANUARY 1 TO MARCH 31

Program - Project	Project Descriptions	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	2022 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
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Previously Approved by Administration

Relinquishments

CALGARY COMMUNITY STANDARDS							
048-017	Reno of Livery Transport Services	(10)	-	-	-	-	(10)
048-019	AB-Vehicle Lifecycle CS	(2)	-	-	-	-	(2)
	Total	(12)	-	-	-	-	(12)
Total approved project budgets of \$0.218 million. Relinquishment of \$0.012 million funded by Capital Reserves.							
CALGARY PARKS							
500-006	Park Upgrades	(17)	-	-	-	-	(17)
Total approved project budget of \$36.651 million. Relinquishment of \$0.017 million funded by Private Contributions.							
UTILITIES							
890-000	Reclaimed Water System	(61)	-	-	-	-	(61)
952-002	Flood-Wastewater	(180)	-	-	-	-	(180)
	Total	(241)	-	-	-	-	(241)
Total approved project budget of \$67.567 million. Relinquishment of \$0.241 million funded by Self-supported Debt for \$0.061 million and 2013 Flood Funding for \$0.18 million.							
CALGARY FIRE DEPARTMENT							
935-001	Calgary Fire Department - Boat Launch Repairs	(78)	-	-	-	-	(78)
Total approved project budget of \$0.545 million. Relinquishment of \$0.078 million funded by 2013 Flood Funding.							

Increases

CALGARY PARKING AUTHORITY							
106-020	Impound Lot Building Replacement Project						
	Previously Approved Budget	50	-	-	-	-	50
	New Request	161	-	-	-	-	161
	Revised Budget	211	-	-	-	-	211
Budget request of \$0.161 million for the above noted project funded by Capital Reserves.							

Transfers

CALGARY COMMUNITY STANDARDS							
048-004	Communications Lifecycle	(48)	-	-	-	-	(48)
048-011	Equipment Lifecycle	48	-	-	-	-	48
	Total	-	-	-	-	-	-
Transfer of \$0.048 million funded by Capital Reserves.							
CALGARY FIRE DEPARTMENT							
041-165	Evergreen Emergency Response	(33)	-	-	-	-	(33)
041-173	Station #11 Replacement/Rebuild	(8)	-	-	-	-	(8)
043-015	Critical Technology Upgrade	(3)	-	-	-	-	(3)
935-015	Critical Equipment and PPE to supply staff for 72	(2)	-	-	-	-	(2)
888-001	Capital Corporate Programs	46	-	-	-	-	46
	Total	-	-	-	-	-	-
Relinquishment of \$0.046 million and transfer to Capital Budget Savings Account funded by Private Contributions \$0.033 million, Community Investment Reserve for \$0.004 million, Fiscal Stability Reserve for \$0.001 million and Pay-As-You-Go for \$0.008 million.							

Program - Project	Project Descriptions	2018 Increase/ (Decrease)	2019 Increase/ (Decrease)	2020 Increase/ (Decrease)	2021 Increase/ (Decrease)	2022 Increase/ (Decrease)	TOTAL Increase/ (Decrease)
CALGARY RECREATION							
507-636	Shouldice AP (Fac Renewal)	(198)	-	-	-	-	(198)
519-152	Class Software system upgrade	198	-	-	-	-	198
507-636	Shouldice AP (Fac Renewal)	(58)	-	-	-	-	(58)
888-001	Capital Corporate Programs	58	-	-	-	-	58
	Total	-	-	-	-	-	-
Transfer of \$0.198 million funded by Capital Reserves.							
Relinquishment of \$0.058 million and transfer to Capital Budget							
Savings Account funded by Capital Reserves.							

Total Previously Approved by Administration	(187)	-	-	-	-	(187)
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Previously Approved by Council

Increases

ROADS							
147-148	Local Improvement - Paving, Sidewalk C&G						
	Previously Approved Budget	5,125	-	-	-	-	5,125
	New Request	4,465	-	-	-	-	4,465
	Revised Budget	9,590	-	-	-	-	9,590
Budget request for local improvement paving and sidewalks of \$4.465 million per C2018-0086 funded by Local Improvement Debt.							

Transfers

GREEN LINE							
869-000	Green Line transitway	247,436	90,455	46,274	52,000	156,000	592,165
TRANSPORTATION INFRASTRUCTURE							
869-000	Infrastructure - Green Line transitway	(247,436)	(90,455)	(46,274)	(52,000)	(156,000)	(592,165)
	Total	-	-	-	-	-	-
Transfer of \$592.165 million budget and related funding for the creation of the new Green Line business unit. The Green Line initiative is funded by GreenTRIP for \$119.349 million, MSI for \$10.09 million, Federal Infrastructure Funding for \$106.819 million, and Lifecycle Maintenance and Upgrade Reserve for \$355.907 million.							

Total Previously Approved by Council	4,465	-	-	-	-	4,465
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2017 CAPITAL BUDGET REVISION SUMMARY
(\$000's)
For information

<u>Department/Business Unit</u>	<u>2017 Opening Budget (2017-0615)</u>	<u>Previously Approved in 2017 (Att 2)</u>	<u>2017 Adjusted Budget*</u>	<u>2017 Actuals</u>	<u>2017 Carry forward**</u>
COMMUNITY SERVICES					
Calgary Community Standards	19,068	(8,426)	10,642	11,395	(753)
Calgary Emergency Management Agency	3,008	-	3,008	1,072	1,936
Calgary Fire Department	43,298	-	43,298	39,947	3,351
Calgary Housing	10,175	-	10,175	9,270	905
Calgary Parks	39,302	(87)	39,215	49,484	(10,269)
Calgary Recreation	154,279	8,426	162,705	146,599	16,106
TOTAL COMMUNITY SERVICES	269,130	(87)	269,043	257,767	11,276
DEPUTY CITY MANAGER'S OFFICE					
Corporate Analytics & Innovation	14,643	-	14,643	9,896	4,747
Resilience & Infrastructure Calgary	-	-	-	-	-
Facility Management	38,332	-	38,332	65,813	(27,481)
Fleet Services	40,431	-	40,431	53,013	(12,582)
Real Estate & Development Services	59,082	22,364	81,446	60,367	21,079
Supply	1,427	-	1,427	621	806
TOTAL DEPUTY CITY MANAGER'S OFFICE	153,915	22,364	176,279	189,709	(13,430)
PLANNING & DEVELOPMENT					
Calgary Growth Strategies	-	-	-	-	-
Calgary Building Services	11,667	-	11,667	8,318	3,349
TOTAL PLANNING & DEVELOPMENT	11,667	-	11,667	8,318	3,349
URBAN STRATEGY	656	-	656	362	294
TRANSPORTATION					
Calgary Transit	157,775	16,100	173,875	192,251	(18,376)
Roads	87,327	1,564	88,891	81,507	7,384
Transportation Infrastructure	485,550	1,766	487,316	394,379	92,937
Green Line	-	-	-	-	-
TOTAL TRANSPORTATION	730,652	19,430	750,082	668,137	81,945
UTILITIES & ENVIRONMENTAL PROTECTION					
Environmental & Safety Management	702	-	702	643	59
Waste & Recycling Services	188,952	-	188,952	163,490	25,462
Utilities (Water Resources & Water Services)	373,469	-	373,469	288,276	85,193
TOTAL UTILITIES & ENVIR. PROT.	563,123	-	563,123	452,409	110,714
CALGARY POLICE SERVICE	36,619	-	36,619	18,713	17,906
CHIEF FINANCIAL OFFICER'S DEPARTMENT					
Assessment	2,500	-	2,500	522	1,978
Customer Service & Communications	3,998	-	3,998	3,983	15
Finance	1,547	-	1,547	1,442	105
Human Resources	200	-	200	-	200
Information Technology	32,741	-	32,741	37,501	(4,760)
TOTAL CFOD	40,986	-	40,986	43,447	(2,461)
CORPORATE ADMINISTRATION					
City Clerk's Office	359	-	359	348	11
Corporate Security	3,631	-	3,631	1,864	1,767
Law	-	-	-	-	-
TOTAL CORPORATE ADMINISTRATION	3,990	-	3,990	2,212	1,778
CORPORATE CAPITAL PROGRAMS	-	-	-	-	-
CIVIC PARTNERS					
Capital Investment in Civic Partner	8,192	-	8,192	9,809	(1,617)
Calgary Public Library	67,449	-	67,449	66,443	1,006
Calgary Telus Convention Centre	222	-	222	402	(180)
Calgary Zoological Society	7,877	-	7,877	8,424	(547)
Cultural Related Infrastructure	2,194	-	2,194	1,637	557
Fort Calgary	-	-	-	-	-
Recreation Culture Artifact	205	-	205	64	141
2013 Flood Civic Partners	13,629	-	13,629	10,382	3,247
Sage Hill Library	-	-	-	-	-
TOTAL CIVIC PARTNERS	99,768	-	99,768	97,161	2,607
CALGARY PARKING AUTHORITY	63,127	-	63,127	8,748	54,379
Confidential Reports (Infrastructure Calgary Implementation Plans)	63,820	1,500	65,320	-	65,320
TOTAL CITY	2,037,453	43,207	2,080,660	1,746,983	333,677

*Excludes capital budgets contained in confidential reports brought forward by Infrastructure Calgary (see Confidential Reports row).

**Includes all 2017 carry forwards authorized in accordance with CFO006.

2018 - 2022 CAPITAL BUDGET REVISION SUMMARY
(\$000's)
For information

Department/Business Unit	2018 Opening Budget (C2017-1123)	2018 Budget (incl. carry forward)*	2018 Revisions for Approval (Att 1)	2018 Revisions for Information (Att 2)	2018 Revised Budget	2019-2022 Opening Budget (C2017-1123)	2019-2022 Revisions for Approval (Att 1)	2019-2022 Revisions for Information (Att 2)	2019-2022 Revised Budget
COMMUNITY SERVICES									
Calgary Community Standards	18,341	17,588	3,550	(9,003)	12,135	4,053	-	(3,000)	1,053
Calgary Emergency Management Agency	370	2,306	400	-	2,706	-	-	-	-
Calgary Fire Department	42,737	46,088	(400)	(124)	45,564	60,598	-	-	60,598
Calgary Housing	22,019	22,924	-	-	22,924	36,709	-	-	36,709
Calgary Parks	15,335	5,066	3,543	(17)	8,592	78,226	207	-	78,433
Calgary Recreation	147,344	163,450	(4,700)	8,808	167,558	19,351	-	3,000	22,351
TOTAL COMMUNITY SERVICES	246,146	257,422	2,393	(336)	259,479	198,937	207	-	199,144
DEPUTY CITY MANAGER'S OFFICE									
Corporate Analytics & Innovation	9,780	14,527	-	-	14,527	1,928	-	-	1,928
Resilience & Infrastructure Calgary	-	-	-	-	-	-	-	-	-
Facility Management	67,153	39,672	-	-	39,672	44,047	-	-	44,047
Fleet Services	34,899	22,317	-	-	22,317	91,317	-	-	91,317
Real Estate & Development Services	20,324	41,403	4,925	-	46,328	199,429	6,339	225	205,993
Supply	1,271	2,077	-	-	2,077	2,067	-	-	2,067
TOTAL DEPUTY CITY MANAGER'S OFFICE	133,427	119,997	4,925	-	124,922	338,788	6,339	225	345,352
PLANNING & DEVELOPMENT									
Calgary Growth Strategies	-	-	-	-	-	-	-	-	-
Calgary Building Services	5,900	9,249	-	-	9,249	281	-	-	281
TOTAL PLANNING & DEVELOPMENT	5,900	9,249	-	-	9,249	281	-	-	281
URBAN STRATEGY	380	674	-	-	674	-	-	-	-
TRANSPORTATION									
Calgary Transit	140,141	121,765	-	8,100	129,865	29,080	-	4,800	33,880
Roads	47,435	54,819	6,800	14,445	76,064	840	-	-	840
Transportation Infrastructure	498,441	591,378	(3,449)	(247,436)	340,493	662,720	(207)	(344,729)	317,784
Green Line	-	-	-	247,436	247,436	-	-	344,729	344,729
TOTAL TRANSPORTATION	686,017	767,962	3,351	22,545	793,858	692,640	(207)	4,800	697,233
UTILITIES & ENVIRONMENTAL PROTECTION									
Environmental & Safety Management	714	773	-	(90)	683	165	-	-	165
Waste & Recycling Services	17,693	43,155	-	-	43,155	7,579	-	-	7,579
Utilities (Water Resources & Water Services)	358,261	443,454	(63,173)	(241)	380,040	679,971	-	-	679,971
TOTAL UTILITIES & ENVIR. PROT.	376,668	487,382	(63,173)	(331)	423,878	687,715	-	-	687,715
CALGARY POLICE SERVICE	34,612	52,518	-	-	52,518	8,000	-	-	8,000
CHIEF FINANCIAL OFFICER'S DEPARTMENT									
Assessment	3,500	5,478	-	-	5,478	7,972	-	-	7,972
Customer Service & Communications	7,176	7,191	-	-	7,191	4,860	-	-	4,860
Finance	1,682	1,787	-	-	1,787	300	-	-	300
Human Resources	1,689	1,889	-	-	1,889	-	-	-	-
Information Technology	44,493	39,733	-	-	39,733	21,338	-	-	21,338
TOTAL CFOD	58,540	56,079	-	-	56,079	34,470	-	-	34,470
CORPORATE ADMINISTRATION									
City Clerk's Office	773	784	-	-	784	1,178	-	-	1,178
Corporate Security	660	2,427	-	-	2,427	-	-	-	-
Law	200	200	-	-	200	200	-	-	200
TOTAL CORPORATE ADMINISTRATION	1,633	3,411	-	-	3,411	1,378	-	-	1,378
CORPORATE CAPITAL PROGRAMS	-	-	-	194	194	66,253	(6,339)	-	59,914
CIVIC PARTNERS									
Capital Investment in Civic Partner	3,210	1,593	-	-	1,593	5,427	-	-	5,427
Calgary Public Library	2,237	3,243	-	-	3,243	-	-	-	-
Calgary Telus Convention Centre	180	-	-	-	-	-	-	-	-
Calgary Zoological Society	1,027	480	-	-	480	-	-	-	-
Cultural Related Infrastructure	3,371	3,928	-	-	3,928	-	-	-	-
Fort Calgary	1,890	1,890	-	-	1,890	-	-	-	-
Recreation Culture Artifact	38	179	-	-	179	265	-	-	265
2013 Flood Civic Partners	130	3,377	-	-	3,377	-	-	-	-
Sage Hill Library	-	-	-	-	-	-	5,000	-	5,000
TOTAL CIVIC PARTNERS	12,083	14,690	-	-	14,690	5,692	5,000	-	10,692
CALGARY PARKING AUTHORITY	31,809	86,188	-	(241)	85,947	19,642	-	-	19,642
Confidential Reports (Infrastructure Calgary Implementation Plans)	126,436	191,756	-	6,568	198,324	67,424	-	680	68,104
TOTAL CITY	1,713,651	2,047,328	(52,504)	28,399	2,023,223	2,121,220	5,000	5,705	2,131,925

*Includes all 2017 carry forwards authorized in accordance with CFO006.

2017 Operating Net Budget Changes from 2017 July 01 to 2017 Dec 31 (\$000s)
For Information

PFC2018-0541
Attachment 4

Business Unit	2017 Net Operating Budget as at 2017 June 30	2017 Net Operating Budget as at 2017 Dec 31	Change	Comments
UTILITIES & ENVIRONMENTAL PROTECTION				
Environmental & Safety Management	11,113	11,113	-	• No changes.
Waste & Recycling Services	53,948	50,741	(3,207)	<ul style="list-style-type: none"> • Council approved (\$3,300) carry forward to 2018 of one-time funding from Fiscal Stability Reserve for the Green Cart Program. • Administration approved: <ul style="list-style-type: none"> * \$83 adjustment to the carry forward of one-time funding approved by Council. * \$10 for 2017 Electricity inflation allocation.
Utilities (Water Resources and Water Services)	(0)	(0)	-	• No changes.
GM - Utilities & Environmental Protection	433	433	-	• No changes.
TOTAL UTILITIES & ENVIRONMENTAL PROTECTION	65,494	62,287	(3,207)	
TRANSPORTATION				
Calgary Transit	256,064	255,511	(553)	<ul style="list-style-type: none"> • Council approved (\$750) carry forward to 2018 of one-time funding from Budget Savings Account for Transit (Implementation of Zero-Based Review). • Administration approved: <ul style="list-style-type: none"> * \$333 for 2017 Electricity inflation allocation. * (\$14) adjustment to the carry forward of one-time funding approved by Council. * (\$122) transfer to Finance for Tangible Capital Asset reorganization.
Roads	157,140	157,313	173	<ul style="list-style-type: none"> • Administration approved: <ul style="list-style-type: none"> * \$295 for 2017 Electricity inflation allocation. * (\$122) transfer to Finance for Tangible Capital Asset reorganization.
Transportation Infrastructure	0	0	-	• No changes.
Transportation Planning	13,819	12,757	(1,062)	<ul style="list-style-type: none"> • Council approved (\$1,000) carry forward to 2018 of one-time funding from Fiscal Stability Reserve for the Pedestrian and Cycling Strategy. • Administration approved (\$62) adjustment to the carry forward of one-time funding approved by Council.
GM - Transportation	1,169	1,019	(150)	• Administration approved (\$150) transfer to Finance for Tangible Capital Asset reorganization.
TOTAL TRANSPORTATION	428,192	426,601	(1,592)	

Business Unit	2017 Net Operating Budget as at 2017 June 30	2017 Net Operating Budget as at 2017 Dec 31	Change	Comments
COMMUNITY SERVICES				
Calgary Community Standards	52,426	51,154	(1,271)	<ul style="list-style-type: none"> Administration approved: <ul style="list-style-type: none"> \$2 for 2017 Electricity inflation allocation. Net zero adjustment in revenue for Corporate Work Force Planning approval of FTE and budget. (\$258) transfer to Calgary Recreation for Department reorganization. (\$293) transfer to Calgary Parks for Department reorganization. (\$721) transfer to Calgary Fire Department for Department reorganization.
Calgary Emergency Management Agency (CEMA)	5,198	5,198	-	<ul style="list-style-type: none"> No changes.
Calgary Fire Department	236,027	237,655	1,628	<ul style="list-style-type: none"> Administration approved: <ul style="list-style-type: none"> \$770 for Corporate Work Force Planning approval of growth FTE and budget. \$721 transfer from Calgary Community Standards for Department reorganization. \$106 for 2017 IAFF growth settlement budget allocation. \$31 for 2017 Electricity inflation allocation.
Calgary Neighbourhoods	42,163	41,918	(245)	<ul style="list-style-type: none"> Council approved (\$245) carry forward to 2018 of one-time funding from Fiscal Stability Reserve for Accessibility, Business Revitalization Zones, and This is My Neighbourhood.
Calgary Parks	102,003	100,418	(1,585)	<ul style="list-style-type: none"> Council approved (\$1,100) carry forward to 2018 of one-time budget from Fiscal Stability Reserve for Tree Disaster Recovery and Restoration. Administration approved: <ul style="list-style-type: none"> \$12 for 2017 Electricity inflation allocation. \$293 transfer from Calgary Community Standards for Department reorganization. (\$790) adjustment to the carry forward of one-time funding approved by Council.
Calgary Recreation	56,277	54,931	(1,346)	<ul style="list-style-type: none"> Council approved (\$1,000) carry forward to 2018 of one-time budget from Fiscal Stability Reserve for Calgary Bid Exploration Committee 2026 Olympic Bid. Administration approved: <ul style="list-style-type: none"> \$96 for 2017 Electricity inflation allocation. \$258 transfer from Calgary Community Standards for Department reorganization. (\$700) adjustment to the carry forward of one-time funding approved by Council.
Calgary Housing	10,253	5,684	(4,569)	<ul style="list-style-type: none"> Council approved carry forwards to 2018 of: <ul style="list-style-type: none"> Net zero one-time funding from Public Housing Reserve for the Corporate Affordable Housing Strategy. (\$5,015) one-time funding from Community Economic Resiliency Fund for the Affordable Housing Development Financial Incentive and Housing Application Coordination. Administration approved \$446 net adjustment to the carry forwards of one-time funding approved by Council.
GM - Community Services	843	843	-	<ul style="list-style-type: none"> No changes.
TOTAL COMMUNITY SERVICES	505,190	497,802	(7,387)	

Business Unit	2017 Net Operating Budget as at 2017 June 30	2017 Net Operating Budget as at 2017 Dec 31	Change	Comments
CIVIC PARTNERS	88,228	88,441	213	<ul style="list-style-type: none"> • Council approved: <ul style="list-style-type: none"> * \$2,000 one-time funding from the Fiscal Stability Reserve to Civic Partners for the Calgary Arts Development Authority. * (\$1,200) carry forward to 2018 of one-time funding from Community Economic Resiliency Fund for Calgary Economic Development. * (\$587) carry forward to 2018 of base budget from Fiscal Stability Reserve for EDPC Programs.
CALGARY POLICE SERVICE	388,069	388,069	-	<ul style="list-style-type: none"> • No changes.
PLANNING & DEVELOPMENT				
Calgary Approvals Coordination	1,898	3,832	1,934	<ul style="list-style-type: none"> • Administration approved \$1,934 transfer from Calgary Growth Strategies for Department reorganization.
Calgary Building Services	-	107	107	<ul style="list-style-type: none"> • Administration approved: <ul style="list-style-type: none"> * Net zero adjustment due to reorganization. * \$107 transfer from Community Planning for Department reorganization.
Calgary Growth Strategies	2,720	114	(2,606)	<ul style="list-style-type: none"> • Council approved (\$291) carry forward to 2018 of one-time funding from Fiscal Stability Reserve for One Time Flood Mitigation. • Administration approved: <ul style="list-style-type: none"> * Net zero adjustment for Department reorganization. * \$54 for 2017 Salary and Wages allocation. * (\$435) transfer to Community Planning for Department reorganization. * (\$1,934) transfer to Calgary Approvals Coordination for Department reorganization.
Community Planning	12,597	12,925	328	<ul style="list-style-type: none"> • Administration approved: <ul style="list-style-type: none"> * \$435 transfer from Calgary Growth Strategies for Department reorganization. * (\$107) transfer to Calgary Building Services for Department reorganization.
GM - Planning & Development	780	780	-	<ul style="list-style-type: none"> • No changes.
TOTAL PLANNING & DEVELOPMENT	17,995	17,759	(237)	
DEPUTY CITY MANAGER'S OFFICE				
Corporate Analytics & Innovation	19,964	20,080	116	<ul style="list-style-type: none"> • Administration approved \$116 transfer from Facility Management to centralize asset information and mapping services.
Facility Management	40,928	40,917	(11)	<ul style="list-style-type: none"> • Administration approved: <ul style="list-style-type: none"> * \$105 for 2017 Electricity inflation allocation. * (\$116) transfer to Corporate Analytics & Innovation to centralize asset information and mapping services.
Fleet Services	-	-	-	<ul style="list-style-type: none"> • No changes.
Real Estate & Development Services	3,680	3,680	-	<ul style="list-style-type: none"> • Administration approved a net zero realignment for reorganization.
Resilience & Infrastructure Calgary	507	723	216	<ul style="list-style-type: none"> • Administration approved \$216 for Corporate Work Force Planning approval of growth FTEs and budget.
Supply Management	9,254	9,254	-	<ul style="list-style-type: none"> • No changes.
GM - Deputy City Manager's Office	2,868	2,868	-	<ul style="list-style-type: none"> • No changes.
TOTAL DEPUTY CITY MANAGER'S OFFICE	77,201	77,521	321	

Business Unit	2017 Net Operating Budget as at 2017 June 30	2017 Net Operating Budget as at 2017 Dec 31	Change	Comments
URBAN STRATEGY	2,714	2,174	(540)	<ul style="list-style-type: none"> • Council approved (\$490) carry forward to 2018 of one-time funding from Fiscal Stability Reserve for Main Streets and several smaller one-time projects. • Administration approved (\$50) adjustment to the carry forward of one-time funding approved by Council.
LAW & LEGISLATIVE SERVICES				
City Clerk's Office	15,986	16,694	708	<ul style="list-style-type: none"> • Administration approved \$708 transfer from Information Technology for reorganization of offsite storage contract costs.
Corporate Security	8,567	8,567	-	<ul style="list-style-type: none"> • No changes.
Law	11,058	11,058	-	<ul style="list-style-type: none"> • No changes.
GC - Law & Legislative Services	1,451	1,451	-	<ul style="list-style-type: none"> • No changes.
TOTAL LAW & LEGISLATIVE SERVICES	37,062	37,770	708	
CITY MANAGER'S OFFICE	2,140	2,140	-	<ul style="list-style-type: none"> • No changes.
CHIEF FINANCIAL OFFICER'S DEPARTMENT				
Assessment	22,303	22,303	-	<ul style="list-style-type: none"> • No changes.
Customer Service & Communications	24,759	24,759	-	<ul style="list-style-type: none"> • Administration approved: <ul style="list-style-type: none"> * Net zero adjustment for correction of 2017 Q2 Corporate Work Force Planning approval of growth FTEs and budget. * Net zero adjustment for reorganization.
Finance	35,258	35,552	294	<ul style="list-style-type: none"> • Council approved (\$50) carry forward to 2018 of one-time funding from Fiscal Stability Reserve for feasibility assessments of potential innovative financing approaches. • Administration approved: <ul style="list-style-type: none"> * \$394 transfers from Business Units for Tangible Capital Asset reorganization. <ul style="list-style-type: none"> - \$150 transfer from GM - Transportation. - \$122 transfer from Calgary Transit. - \$122 transfer from Roads. * (\$50) adjustment to the carry forward of one-time funding approved by Council.
Human Resources	31,968	31,968	-	<ul style="list-style-type: none"> • No changes.
Information Technology	66,872	66,164	(708)	<ul style="list-style-type: none"> • Administration approved (\$708) transfer to City Clerk's Office for reorganization of offsite storage contract costs.
GM - CFOD	831	831	-	<ul style="list-style-type: none"> • No changes.
TOTAL CHIEF FINANCIAL OFFICER'S DEPARTMENT	181,991	181,577	(414)	
COUNCIL				
Audit Committee	758	758	-	<ul style="list-style-type: none"> • No changes.
City Auditor's Office	2,950	2,950	-	<ul style="list-style-type: none"> • No changes.
Mayor's Office	1,964	1,964	-	<ul style="list-style-type: none"> • No changes.
Office of the Councillors	9,333	9,333	-	<ul style="list-style-type: none"> • No changes.
TOTAL COUNCIL	15,005	15,005	-	

Business Unit	2017 Net Operating Budget as at 2017 June 30	2017 Net Operating Budget as at 2017 Dec 31	Change	Comments
CORPORATE PROGRAMS - COMMON REVENUES				
Franchise Fees	(217,656)	(217,656)	-	• No changes.
General Revenue	(206,056)	(189,440)	16,616	• Council approved: * One-time funding (\$2,000) from the Fiscal Stability Reserve for the Calgary Arts Development Authority. * Carry forwards to 2018 of: \$10,213 one-time budget from Fiscal Stability Reserve. \$6,215 one-time budget from Community Economic Resiliency Fund. \$750 one-time budget from Budget Savings Account. • Administration approved adjustments to the carry forwards approved by Council: \$1,870 one-time budget from Fiscal Stability Reserve. \$14 one-time budget from Fiscal Stability Reserve. (\$446) one-time budget from Community Economic Resiliency Fund.
Investment Income & Financial Charges	(29,500)	(29,500)	-	• No changes.
Taxation	(1,807,169)	(1,807,169)	-	• No changes.
TOTAL CORPORATE PROGRAMS - COMMON REVENUES	(2,260,381)	(2,243,765)	16,616	
CORPORATE PROGRAMS - CORPORATE COSTS & DEBT SERVICING				
Capital Financing Costs	313,603	313,603	-	• No changes.
Civic & Intergovernmental Affairs	387	387	-	• No changes.
Corporate Costs	143,012	138,531	(4,481)	• Council approved (\$2,150) carry forward to 2018 of one-time funding from Fiscal Stability Reserve to Corporate Costs for Council's Innovation Fund. • Administration approved: * (\$54) for 2017 Salary and Wages allocation. * (\$106) for 2017 IAFF growth settlement budget allocation. * (\$301) adjustment to the carry forward of one-time funding approved by Council. * (\$884) for 2017 Electricity inflation allocation. * (\$986) net transfer to multiple BUs for Corporate Work Force Planning approval of growth FTEs and budget.
Employee Benefits	(6,900)	(6,900)	-	• No changes.
Gas, Power and Telecom. Committee	925	925	-	• No changes.
Scholarships	73	73	-	• No changes.
TOTAL CORPORATE PROGRAMS - CORPORATE COSTS & DEBT SERVICING	451,100	446,619	(4,481)	
TOTAL CORPORATE PROGRAMS	(1,809,281)	(1,797,146)	12,135	
TOTAL CITY	(0)	(0)	0	
Total City (without Corporate Programs)	1,809,280	1,797,145	(12,135)	
Corporate Programs	(1,809,281)	(1,797,146)	12,135	
Total City	(0)	(0)	0	

Council Decisions/Referrals Having Actual or Potential Future Year Operating Budget Impacts

Provided to meet the requirement of NM2008-53 to track decisions or referrals that Council has made between 2017 July 01 to 2017 December 31 which have an actual or potential future year budget impact.

DATE	REPORT #	TITLE	DESCRIPTION	POTENTIAL BUDGET IMPACT (\$000s)
20-Nov-2017	C2017-1181	Olympic Bid Update	<p>Approve a one-time increase in 2018 to operating budget program #426 of up to \$2M from the Fiscal Stability Reserve (FSR) to accomplish project deliverables until either key deliverables related to preparing the Bid Book have transitioned to a BidCo or the International Olympic Committee (IOC) release of the Host City Contract (scheduled for 2018 Q3) or Council decides to no longer pursue a 2026 Olympic Paralympic Winter Games (OPWG) Bid.</p> <p>And further, that Council authorize the release of no more than \$1M until financial commitments to the BidCo are secured from the provincial and federal governments.</p>	2,000
1-Dec-2017	PFC2017-1081	Economic Development Investment Fund	<p>That with Respect to Report PFC2017-1081, the following be adopted, after amendment:</p> <p>That Council approve the transfers from the following reserve funds to a newly created Economic Development Investment Fund (EDIF) reserve:</p> <ul style="list-style-type: none"> - From the CBS and CCS – Business License Sustainment Reserve: \$20M for 2017 and \$20M for 2018 - From the anticipated savings in Corporate Programs \$25M for 2017 - From the Budget Savings Account \$25M for 2018 	45,000

Community Services Report to
Priorities and Finance Committee
2017 May 01

ISC: UNRESTRICTED
PFC2018-0491
Page 1 of 10

Affordable Housing Capital Development Program

EXECUTIVE SUMMARY

In July 2016, Council approved Foundations for Home: Calgary's Corporate Affordable Housing Strategy ("the Strategy"). The Strategy identifies inadequate housing supply as the single most pressing challenge facing Calgary's affordable housing sector. The Affordable Housing Capital Development Program ("the Program") creates a long-term pipeline of prioritized projects to increase the supply of affordable housing. The Program includes lifecycle maintenance programs, the development of new units, and redevelopment of existing City-owned properties. The intent of creating a long term affordable housing development pipeline is to allow for thoughtful budgeting practices and detailed development staging to ensure a steady stream of supply of housing over the next ten years.

This Program is partially funded under *Program 489 - Increase Affordable Housing*, and the remainder of the funding will be requested this fall through the unfunded capital development list prepared in support of One Calgary. No new funding decisions are being made through the recommendations within this report. The City has 64 units currently in development and the proposed allocation of the remaining funds within *Program 489* will create 230 additional new units. The City will further increase the supply of affordable housing by 746 units over the next ten years. Additional work to scale up other non-profit housing providers through the provision of land, support with development fee rebates and prioritizing applications will move towards reaching the goal of creating an additional 15,000 units required to move Calgary's percentage of non-market housing from 3.6% to the national average of 6%.

With both the federal and provincial governments signaling their renewed commitment to affordable housing, this Program will help position Calgary to maximize leveraging of these funds, create increased operational sustainability and contribute to an increased supply of affordable homes for Calgarians. The federal government will be launching the next funding allocations under the National Housing Strategy in May 2018 with a priority on communities that have strong capital development programs in place and are ready to initiate development. It is critical to illustrate that Calgary has a strong capital development plan with clear direction on repairing existing units within The City's portfolio and creating new affordable housing, positioning us well to be competitive in a national context.

Affordable Housing Capital Development Program

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee:

1. Receive for information the remaining allocation of funds within Program 489; Activity 403980 - Increase Affordable Housing as outlined in Attachment 1 - Page 8;
2. Adopt in principle the lifecycle maintenance, new builds, and redevelopment programs as outlined in Table 2 Budget Summary of Capital Development Program on page 8 of this report (Details included in Attachments 1 and 2);
3. Refer Attachment 2: Program Budget Overview to 2018 November One Calgary Service Plans and Budget for consideration through the unfunded capital development list;
4. Direct Administration to continue to pursue federal and provincial funding opportunities for developments identified in Attachments 1 and 2; and
5. Request that Attachment 2 remain confidential pursuant to sections 23 and 24 of the *Freedom of Information and Protection of Privacy Act* until such time as the budget for the Program has been approved and released by Council.

PREVIOUS COUNCIL DIRECTION / POLICY

In July 2016, Council unanimously approved Foundations for Home: Calgary's Corporate Affordable Housing Strategy. The Strategy identifies six objectives to grow affordable housing including the need to both develop new affordable housing units and renovate and regenerate existing housing stock. Objective III-B of the Strategy specifically addresses the need for Council to adopt in principle an Affordable Housing plan for City-led development and redevelopment projects contained in the short-term targets.

The Strategy confirmed affordable housing as a Council priority which supports citizens' views as captured in the Citizen Satisfaction survey (2017) that found affordable housing was citizens' highest priority for increased investment¹.

The Affordable Housing Capital Development Program aligns with affordable housing advocacy goals approved by the Intergovernmental Affairs Committee (IGA2016-0789) on 2016 October 13 and furthermore, those recently approved through IGA2017-1105 on 2018 January 22. Some of these advocacy goals included:

1. Create a citizen centric housing system that focuses on people's needs and supports progress through the housing spectrum.
2. All orders of government need to work together to create a strong network of non-profit housing providers.
3. Sustained, expanded and consistent capital funding is required to address deferred maintenance and increase the supply of non-market housing from 3% to 6%.
4. Support housing providers to transition to sustainable operating models with no net loss of high need households served.

BACKGROUND

In 2012, Council approved the Increase Affordable Housing budget under Program 489 in recognition of the growing need for affordable housing and the economic and social costs of not meeting the need. The budget contained within a program bucket provided greater flexibility in

¹ 2017 Quality of Life and Citizen Satisfaction Survey (January 2018)

Affordable Housing Capital Development Program

leveraging federal and provincial funding and allowed The City to strategically respond to development opportunities. Similar to the current funding system for affordable housing, the 2012 funds required leverage by all three levels of government at \$0.70 on the dollar.

The impetus in 2012 was to rethink how The City undertook the development of affordable housing and to look for creative solutions to build more units with less money. As a result, in 2014 the modular stacked townhome was introduced on four City sites. This repeatable built form eliminated wasted interior corridors, allowed for different exteriors to suit the specific community and provided a variety of unit sizes to meet different needs.

Another development initiative came with the approval of the feasibility budget which enabled The City to explore new opportunities for housing prior to committing capital funds. Through this process, The City was able to explore the feasibility of development opportunities which pushed boundaries in terms of design, operations and colocations which might not have been encouraged if solely tied to capital dollars. Remnant parcels are now developable and innovative energy-efficient built forms are explored. Feasibility funds have facilitated a future design competition to challenge the public's perception of what affordable housing looks like and how it operates. In the last three years, three new affordable housing developments located in the communities of Kingsland, Crescent Heights and Bridgeland have opened. Construction on two additional developments in Wildwood and Rosedale are currently underway with delivery in 2018 and 2019.

In 2017, both the federal and provincial governments issued their individual housing strategies and committed future funds for new supply, regenerated units and lifecycle maintenance for existing affordable housing. The share of the new capital funding allocated to Calgary has not yet been announced. However, the federal government has indicated that federal funds will be distributed to communities that have a strong capital development program in place and are ready to initiate development. It is assumed that federal/provincial funding would remain similar to past funding models, which required these funds to be leveraged by 30% municipal funding contribution as a condition of the funding agreement. Based on historic trends, it is estimated that Calgary could potentially receive \$160 M of federal funding from the National Housing Strategy investment plan within the next ten years, and \$49 M from the Provincial Affordable Housing Strategy over five years each to be leveraged with municipal funds. With the federal and provincial governments each signaling their renewed commitment to housing, the Affordable Housing Capital Development Program will help position Calgary to leverage these funds and make affordable housing more readily available to all.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Foundations for Home: Calgary's Corporate Affordable Housing Strategy identifies six strategic directions which support increasing affordable housing in Calgary.

1. Get the Calgary community building;
2. Leverage City land with sales to qualified non-profit housing providers at below market rates;
3. Design and build new City units by prioritizing new development and redevelopment of City owned properties;
4. Regenerate City-owned properties by leading strategic reinvestment to preserve homes for those in need;

Affordable Housing Capital Development Program

5. Strengthen intergovernmental relations through collaboration and advocacy for Calgary's share of affordable housing funding; and
6. Improve the housing system by supporting programs that empower tenants to make positive changes within their community.

Each of these six objectives is integral in meeting the vision of increasing non-market housing supply to provide homes to a minimum of 6% of households in Calgary. Currently, only 3.6% of households in Calgary are supported by non-market housing, as compared to the national average of 6%. To accommodate 6% of its households in non-market housing, Calgary would need to add approximately 15,000 new affordable units today.² The City has a role to play in directly delivering on this number, but also by enabling non-profit providers to construct more housing and by positioning all providers to receive additional investment from other orders of government. The Strategy's implementation plan clearly identifies initiatives under each objective which work together to meet this objective. The Affordable Housing Capital Development Program incorporates a diversified approach to The City's development program, and like the private development industry, the intent is to allow for thoughtful budgeting practices and detailed development staging to ensure commissioning steady supply with projects moving through each phase of the development process.

The Affordable Housing Capital Development Program focuses on four specific sub-programs:

1. Renovating existing City-owned units through lifecycle maintenance;
2. Increasing the supply of new affordable housing;
3. Redeveloping existing affordable housing sites; and
4. Leveraging the social return on investment of the Green Line LRT.

A brief summary of each program is included below. Attachment 1 provides a detailed analysis of each program.

1. Lifecycle Maintenance

The City's top priority is to ensure its current affordable housing units are maintained with ongoing funding for lifecycle maintenance. Calgary Housing Company (CHC), The City's operator of affordable housing, is currently completing building condition assessments (BCA) on all of The City's affordable housing buildings. In 2017, Council approved \$3.4M (PFC2017-0355) in emergency lifecycle maintenance for both major capital repairs and suite renovations for The City's existing affordable housing stock. This Program established unit renovation standards to ensure consistent and quality service delivery, and to increase the financial sustainability within existing units irrespective of the client group (social, affordable or low-end-of-market) served. The 2017/ 2018 program has provided suite renovations for approximately 200 units. The BCA's, in combination with unit renovation standards, are designed to prioritize buildings and units in need of both renovation and lifecycle maintenance. Through the Program, a robust system of prioritized buildings and units has been identified for investment. This comes with an unfunded municipal budget requirement of \$39.6M for the next four years which will be included as part of One Calgary budget submission in 2018 November.

² Housing in Calgary Report (2017). City of Calgary

Affordable Housing Capital Development Program

2. Increased Supply of Affordable Housing

City-led development of new affordable housing supply will take a variety of forms and sites throughout the city and will be The City's initial contribution to the overall goal established for new units. This sub-program includes affordable housing within Integrated Civic Facilities, mixed-use development, stacked townhomes, heritage redevelopment, Transit Oriented Development (TOD), innovation competitions, private development and acquisition of units. The projects have been through a comprehensive geographic analysis and detailed feasibility review to ensure their locational and site characteristics are conducive for positive outcomes for residents and the community. Providing affordable housing throughout all communities in Calgary helps provide varied choice of tenure, built form and affordability as identified in the Municipal Development Plan. The Increase Supply of Affordable Housing program generates 153 units with an unfunded municipal budget requirement of \$6.4M for the next four years which will be included as part of One Calgary budget submission in 2018 November.

3. Regeneration/Redevelopment

The average age of City of Calgary affordable housing stock is 40 years. As these assets age, it is important to plan for the future of The City's assets and provide a framework to re-imagine the future of affordable housing. Densifying existing older sites provides an opportunity to improve health and safety requirements and incorporate new operational and energy efficiencies. It is anticipated that this program will continue to grow over time. Currently, the Government of Alberta has provided feasibility grants to Calgary Housing to explore regeneration opportunities on two existing affordable housing sites. Calgary Housing is in the process of undertaking a detailed feasibility and master planning review which is anticipated to provide approximately 341 new affordable housing units based on current land use conditions. This represents an unfunded municipal budget requirement of \$39M for the next four years which will be included as part of One Calgary budget submission in 2018 November.

4. Green Line

Plans for affordable housing units located close to the future Green Line LRT have been developed in support of future Transit Oriented Development (TOD) at priority stations. Emphasis has been placed on three station areas within Green Line Stage One, where support services for tenants are more likely to be located. As included in Layer 4- City Shaping (CPS2017-0311), population projections along the Green Line were used in tandem with the analysis of the need for City-owned affordable housing units within the new TOD locations. The section in Attachment 1 on Green Line housing supply represents a total of 252 new units unfunded along the Green Line at a municipal cost of \$2.1M for the next four years which will be included as part of One Calgary budget submission in 2018 November.

Each of the sub-programs is projected to deliver the following units for the 2019 – 2022 and 2023 – 2026 business cycle:

**Community Services Report to
Priorities and Finance Committee
2017 May 01**

**ISC: UNRESTRICTED
PFC2018-0491
Page 6 of 10**

Affordable Housing Capital Development Program

Table 1: Total Number of New Units Delivered and Upgraded

PROGRAM	New Units	Existing # Units Requiring Maintenance Upgrade
1. Lifecycle Maintenance		2,175
2. Increased Supply of Affordable Housing	153	
3 Regeneration/Redevelopment	341	
4. Green Line – Housing Supply	252 * begins construction in 2022	
TOTAL	746	2,175

Stakeholder Engagement, Research and Communication

Stakeholder engagement is an important component to every affordable housing project. Efforts have been made to continually learn from our engagement sessions to improve the way information is delivered, received and applied.

Internal stakeholder engagement was undertaken with ward councillors and business units to inform the Program. Research to identify needs, areas, built form and opportunities for operational savings was completed with a comprehensive cross-corporate review within City departments and with Calgary Housing Company (CHC), The City's operator of affordable housing. The affordable housing location criteria tool using geographic information systems (GIS) has been instrumental in finding suitable locations for affordable housing based on housing preferences.

Community engagement sessions were also conducted in support of three programs in Varsity, Symon's Valley and Thornhill in conjunction with the Integrated Civic Facility Program during the feasibility stage.

Future engagement has been anticipated and is being planned for. External stakeholder engagement for new affordable housing capital projects is based on a three-phase approach which allows for flexibility to modify due to the individual development opportunities. Phase one includes introducing the project to the community and stakeholders, providing information and education on affordable housing and gathering information on the stakeholders' issues and concerns about development. Phase two provides information to the community and stakeholders on affordable housing and gathers feedback on the design. Phase three includes showcasing the final design. The intent would be to undertake a detailed three-phase engagement program for each of the developments included in this Program as they arise in the future.

Strategic Alignment

The Program directly supports the objectives of Foundations for Home: Calgary's Corporate Affordable Housing Strategy (2016) to design and build new City units and regenerate City-owned properties. It also helps to advance the goals and policies of existing City plans that call for increased housing affordability to meet the diverse needs of Calgarians. The Program is

Affordable Housing Capital Development Program

aligned with the 60-year Calgary Municipal Development Plan which includes the following objective under Part 2.3.1: Housing: “Ensure a choice of housing forms, tenures and affordability to accommodate the needs of current and future Calgarians and create sustainable local communities.” Additionally, The City of Calgary Action Plan 2015-2018 includes Strategy P6, “Increase affordable and accessible housing options,” under its area of focus for a prosperous city.

The Program is also well aligned to the goals of multiple external plans. Calgary’s Updated Plan to End Homelessness (2015) includes “Increasing housing & supports and affordable housing options” as a priority direction. The Seniors Age Friendly Strategy and Implementation Plan (2015) includes a strategy to “Support policy changes and initiatives to increase overall affordable housing supply through the Community Affordable Housing Strategy” (Priority III, Result 2, Strategy A). The Calgary Economic Development Strategy (2014) includes an action to “Build a range of housing options for all ages, income groups and family types to meet the needs of residents today and tomorrow” (Community Energy, Strategy 1, Action 1). The Enough For All Poverty Reduction Initiative (2013) proposes actions to “enhance access to affordable housing” under Priority 4.3.3: “Ensure people’s basic needs are met.”

Social, Environmental, Economic (External)

Great cities are places where everyone can afford to live and work. Affordable housing is a critical component of our great city and a vital contributor to our citizens’ successes. Affordable housing yields tangible social and economic benefits that City residents see every day:

- Affordable housing development creates local jobs. Every billion dollars invested in housing grows Canada’s economy by \$1.4 billion and generates up to 13,000 direct and indirect jobs.³
- Affordable housing strengthens residents’ purchasing power and boosts the local economy. With lower housing costs, residents have better opportunities and more disposable income to invest in other goods and services.
- Affordable housing attracts employers with the promise of a stable workforce. When housing costs are prohibitively high, companies, particularly those in the industrial sector, struggle to find and retain the workers they need.
- Affordable housing reduces demand for emergency services. By keeping vulnerable residents off the streets, affordable housing reduces pressure on hospitals and corrections facilities, as well as City spending on policing, bylaw, and fire services. Providing one homeless person with housing has been shown to save taxpayers \$34,000 annually.⁴

A fully mixed housing market creates and retains jobs, attracts new workers, lessens poverty, meets the needs of seniors, individuals and families, and keeps our most vulnerable residents

³ Federation of Canadian Municipalities. Cities and Communities: Rising to the Moment. FCM Federal Budget Submission. February 2016.

⁴ Calgary Homeless Foundation. Calgary’s Updated Plan to End Homelessness. March 2015.

Affordable Housing Capital Development Program

off the street. This in turn reduces financial stress on the health care system, the justice system, policing, social services, City Administration and other municipal and provincial services. Adequate housing enables all Calgarians to maximize their contributions to the wider community. The City of Calgary has an opportunity to create better outcomes for individuals and communities through the increase in supply of safe, affordable housing solutions.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget impacts associated with this report and recommendations. Any staff positions related to implementing this program will be capitalized or brought forward as part of the One Calgary Budget plan in November 2018. All new affordable housing developed through this program will be operated through a self-sufficient model that does not require any ongoing government operating subsidies.

Current and Future Capital Budget:

Calgary Housing's Affordable Housing Capital Development Program total estimated budget (from all sources) is \$319.3M until 2026. Currently The City has Program 489-Increase Affordable Housing budget of \$45.5M which is fully allocated to six projects representing an additional 230 units. In order to continue to meet the objectives of the Corporate Affordable Housing Strategy, additional funds are required to support the Affordable Housing Capital Development Program.

The Program leverages federal, provincial and municipal funding to create affordable housing in all Calgary communities. Using the historic 70% (federal/provincial) and 30% (municipal) funding model, Calgary Housing will be requesting \$157.5M in municipal funding over The City's next two capital budget planning cycles for 2019-2022 and 2023-2026.

**Community Services Report to
Priorities and Finance Committee
2017 May 01**

**ISC: UNRESTRICTED
PFC2018-0491
Page 9 of 10**

Affordable Housing Capital Development Program

Table 2: Budget Summary of Capital Development Program (2019 – 2026)

Capital Development Program	Total Budget			Municipal Contribution 30%		
	Budget Cycle 2019-2022	Budget Cycle 2023-2026	Total Budget (2019-2026)	Budget Cycle 2019-2022	Budget Cycle 2023-2026	Total Muni. contribution (2019-2026)
1. Lifecycle Maintenance-City Owned Portfolio (Estimated 2175 Units)	\$39.6 M	\$48.5 M	\$88.1 M	\$39.6 M*	\$48.5 M*	\$88.1 M
2. Increase Supply Affordable Housing – New Builds (153 Units)	\$21.3 M	\$17.0 M	\$38.3 M	\$6.4 M	\$5.1 M	\$11.5 M
3. Regeneration/Redevelopment Program (341 Units)	\$130.0 M	**	\$130.0 M	\$39.0M	**	\$39.0 M
4. Green Line (252 Units)	\$7.1 M	\$55.9 M	\$63.0 M	\$2.1 M	\$16.8 M	\$18.9 M
Total	\$198.0 M	\$121.4 M	\$319.4 M	\$87.1 M	\$70.4 M	\$157.5 M

* Lifecycle Maintenance has been anticipated at 100% contribution by The City

** Additional budget for Regeneration/Redevelopment Program in 2019-2026 may be requested after building condition assessments are completed.

Risk Assessment

Affordable housing is not directly within The City's control since it is a responsibility of all three orders of government. There is potential risk that other orders of government could direct policy changes that could negatively impact Calgary's affordable housing sector and citizens of Calgary. The City must demonstrate the importance it places on affordable housing as both a social benefit and economic priority to mitigate negative policy changes.

Existing provincial operating agreements for City-owned social housing units will begin to expire within the next three years and The City will become fully responsible for the condition of the units.

The federal government has indicated that federal funds will be distributed to communities that have a strong capital development program in place and are ready to initiate development. If Calgary cannot demonstrate a sound capital development plan, there is a risk that we could miss out on Calgary's share of the funding commitments previously announced by the federal

**Community Services Report to
Priorities and Finance Committee
2017 May 01**

**ISC: UNRESTRICTED
PFC2018-0491
Page 10 of 10**

Affordable Housing Capital Development Program

and provincial governments, estimated at \$160.0M and \$49.0M respectively for Calgary. There is also the potential that previous advocacy efforts with both orders of government could generate capital funds that cannot be fully utilized if not matched with municipal funds.

The momentum for affordable housing generated since the adoption of Foundations for Home: Calgary's Corporate Affordable Housing Strategy is invaluable. The Affordable Housing Capital Development Program will help to build on that momentum.

REASON(S) FOR RECOMMENDATION(S):

The Affordable Housing Capital Development Program will be used to position Calgary for federal and provincial funding to increase the supply of affordable housing and renovate and repair existing City owned affordable housing units.

ATTACHMENT(S)

1. Attachment 1 – Affordable Housing Capital Development Program
2. Attachment 2 – CONFIDENTIAL



AFFORDABLE HOUSING CAPITAL DEVELOPMENT PROGRAM

(2016 – 2026)
Calgary Housing

May 1 2018



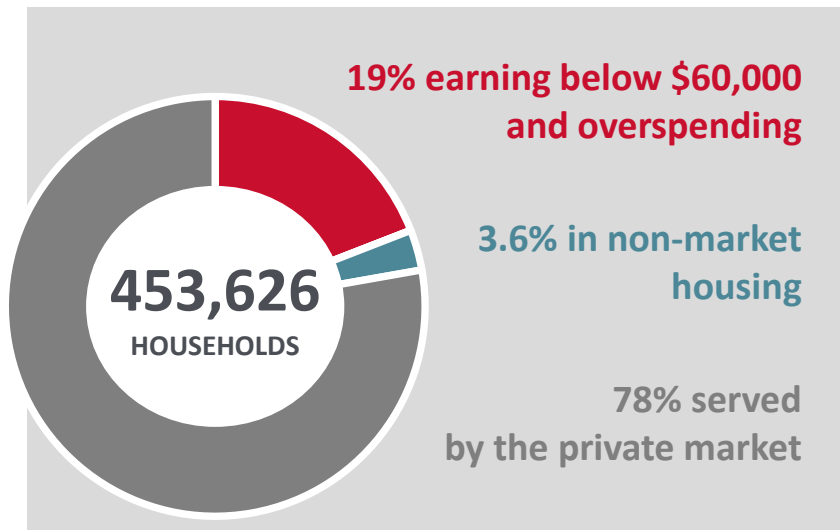
Table of Contents

1. Affordable Housing in Calgary
2. Corporate Affordable Housing Strategy
3. Affordable Housing Capital Development Program
4. Allocation of Remaining Funds (*Recommendation 1*)
5. 1. Housing Lifecycle Maintenance
6. 2. Increase Supply Affordable Housing
 - 2A New Builds
 - 2B Integrated Civic Facilities
7. 3. Affordable Housing Redevelopment Program
8. 4. Increase Supply Affordable Housing – Green Line



Increased Housing Supply

Improved Housing System



Contribute to an increase in non-market housing supply sufficient to provide homes to a minimum of **6% of households in Calgary**, consistent with the national average.

In 2016, meeting this standard would require **15,000 new units**.

Enable a transformed housing system in Calgary, where collaboration between stakeholders drives **better outcomes for individuals and communities** through safe, affordable housing solutions.



Everyone deserves a safe and stable place to call home, but not everyone can afford one.

84,000
or nearly
1 in 5     
households are struggling to pay for shelter costs

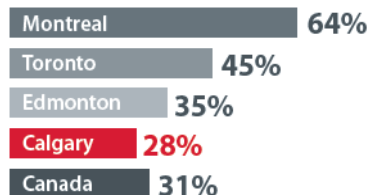
42,000 households
at risk of becoming homeless due
to spending more than 50 per cent
of income on shelter costs

More than
3,200 
Calgarians are
homeless



According to The City's
definition of
affordable housing,
a household is in need
of affordable housing
when it earns less than
\$60,000/year and
spends more than
30 per cent of gross
income on shelter costs

Percentage rental



Calgary's lowest
market **rental**
rates are among
the **highest in**
Canada, and the supply
is limited

Income needed to
afford average rent
for a two-bedroom
apartment in Calgary
\$53,000

Approximately
of households do not have
sufficient income
to afford an
average rental
apartment in
the market



Affordable housing helps everyone

Affordable housing supports
people of all ages, family
compositions and demographics.
People in affordable housing
have greater chances to:

- Find and keep jobs
- Learn and build skills
- Be active participants in their communities



Keeping vulnerable residents off
the streets reduces demand and
pressure on emergency services,
hospitals and correction facilities.
Providing housing for one
homeless person has been shown to save
taxpayers **\$34,000** annually

Affordable housing boosts
the local economy by
increasing the purchasing
power of residents and
by attracting employers
with the promise of a
stable workforce



Corporate Affordable Housing Strategy

In 2016, Council unanimously adopted the **Corporate Affordable Housing Strategy – Foundations for Home**, which guides The City's affordable housing direction over the next 10 years through six key objectives:



Objective 1:
Get the Calgary community building



Objective 4:
Regenerate City-owned properties



Objective 2:
Leverage City land



Objective 5:
Strengthen intergovernmental partnerships



Objective 3:
Design and build new City units



Objective 6:
Improve the housing system



Objective 3: Design and build new City units

The City's affordable housing developments are informed by research on tenant preferences, leading industry practices, and extensive consultation with community stakeholders.

The following program represents funded projects currently under construction.

Under Construction Projects 2018	Unit	Total Budget
Wildwood (in construction)	48	\$10.9 M
Rosedale (in design)	16	\$3.9 M
Total Units to be Delivered in 2019	64	\$14.8 M





Objective 4: Regenerate City-owned properties

Our long-term regeneration strategy provides financial and social sustainability for **City-owned** properties.

2018- Building condition assessments and unit condition assessments on City Affordable Housing sites allows for prioritizing of lifecycle improvements.



Affordable Housing Capital Development Program

The capital development program focuses on new City units as it relates to building, partnering or acquiring units and leveraging Federal and Provincial funding.

The creation of a long-term pipeline and prioritizing development and redevelopment projects enables the thoughtful budgeting and allocation of funds.

Equally important is the regeneration/lifecycle maintenance of existing City owned units in order to continually increase the supply of affordable housing.





Capital Development Affordable Housing Units Summary

The **Affordable Housing** development program creates a long-term development pipeline which prioritizes **development** projects, **redevelopment** projects, and **lifecycle maintenance** projects on City-owned assets. The following table represents the allocation of existing funds in the funded column and the prioritized projects that are currently unfunded.

FUNDED CAPITAL DEVELOPMENT PROGRAM	Units	UNFUNDED CAPITAL DEVELOPMENT PROGRAM		UNITS
Wildwood (in Construction)	48	New Builds	Confidential Site #1, Attachment 2	19
Rosedale (in Design)	16		Confidential Site #2, Attachment 2	18
Varsity ICFP (in Feasibility)	48		Armour Block 1	20
Bridlewood (in Feasibility)	62	Integrated Civic Facilities	Symons Valley ICFP	48
Mount Pleasant (in Feasibility)	16		Thornhill ICFP	48
Private Developers (Land Sales & Acquisition of Units), Appendix 2	56	Redevelopment	Confidential Site #3, Attachment 2 (Based on existing land use)	145
North Hill ICFP (in Feasibility)	48		Southview (Based on existing land use)	196
		Green Line	16 th Av/ 28 th Av N	180
			Inglewood/Ramsay	28
			Ogden	44
TOTAL UNITS	294	TOTAL UNITS		746
Lifecycle Maintenance (City Owned) 2017-2018 (\$3.4 M)	200 estimated	Lifecycle Maintenance (City Owned)		2175 estimated



Allocation of Remaining Funds (Recommendation 1)

The following program represents funded projects. The City would like to **finalize the allocation all of the remaining funds** under Activity 403980 - Increase Affordable Housing with a plan to complete feasibility and begin design and construction in 2019 – 2022 for the following projects.

Funded Projects in Design and Construction	Units	
Wildwood Stacked Townhomes	48	In Construction
Rosedale	16	In Design
Funded Projects in Feasibility (2019-2022)	Units	Total Budget
Varsity ICFP (Integrated Civic Facilities Program)	48	\$12.0 M
Bridlewood (Stacked Townhome)	62	\$18.1 M
Mount Pleasant (Stacked Townhome)	16	\$4.0 M
Private Program TOD / Land Sales (at least 56 units)		
• Refer to Confidential Attachment 2 pages 7 & 8	56	TBD
North Hill ICFP (Integrated Civic Facilities Program)	48	\$11.5 M
Total Units Delivered in (2019-2022)	294	\$45.6 M

**ALLOCATION OF
REMAINING
FUNDS**



1. Housing Lifecycle Maintenance - City Owned Portfolio (2019-2026)

Calgary Housing Company (CHC) as The City's affordable housing operator, is currently completing **building condition assessments** (BCA) and **unit condition assessments** (UCA) on all of The City's affordable housing units. The purpose is to ensure consistent, quality service delivery, and to increase financial sustainability within existing units irrespective of the program served (social, affordable, or low-end-of market).

The BCAs in combination with the UCAs are designed to **prioritize** units in need of renovation or lifecycle maintenance. Following the completion of BCAs on all City affordable housing units, this program will **establish a base funding** amount for **deferred maintenance** going forward and be included in the 2019-2026 lifecycle maintenance program.





2. Increase Supply Affordable Housing (2019-2026)

2A. Increase Supply Affordable Housing – New Builds	Units
Armour Block 1, New units	20
Confidential Site (1)	19
Confidential Site (2)	18
Total Units	57

2B. Increase Supply Affordable Housing – Integrated Civic Facility Program (ICFP)	Units
Symons Valley (ICFP)	48
Thornhill (ICFP)	48
Total Units	96

Total of **153** additional units within the New Projects Program

* Refer to Confidential Attachment 2 for more information



2A. New Builds

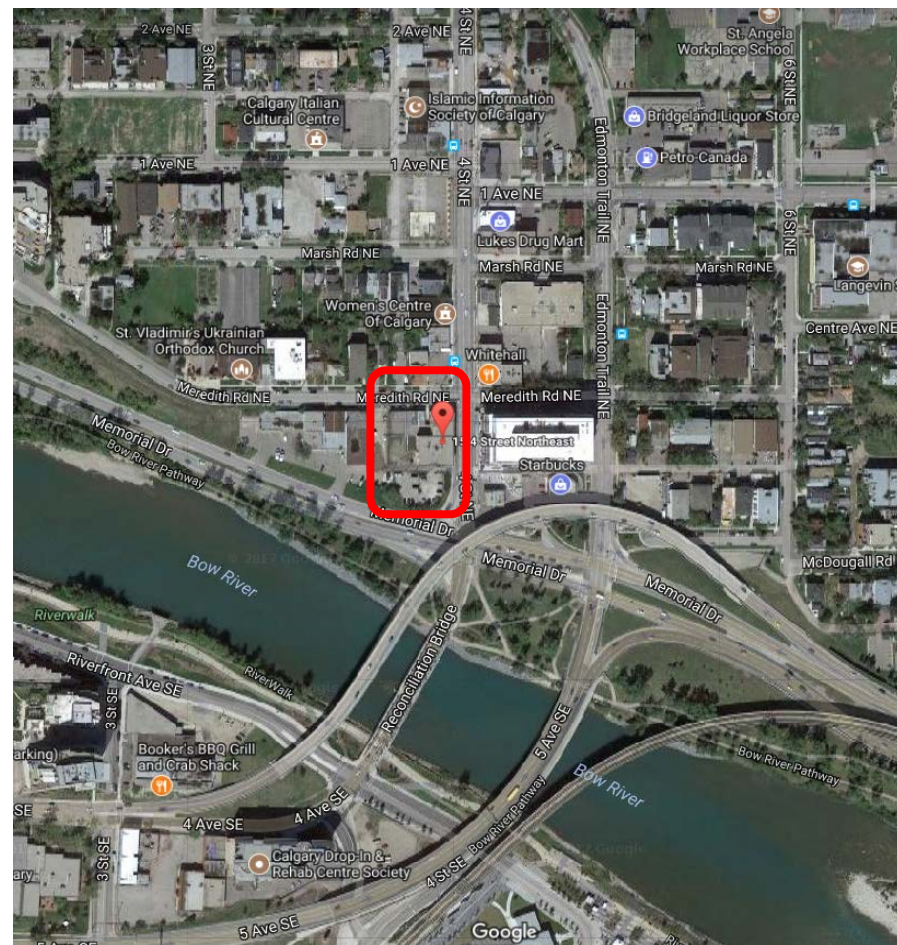
Armour Block 1

Programs: New and Lifecycle

Address: 15 4th ST NE

Building Type: Heritage Building with
additional Multi Storey Building

Total Number of new units: **20 units**



2B. Integrated Civic Facilities

Symons Valley

Program: **ICFP/TOD**

Address: 251 Sage Hill Bv NW

Building Type: Multi Storey Building

Total Number of units: **48 units**



2B. Integrated Civic Facilities

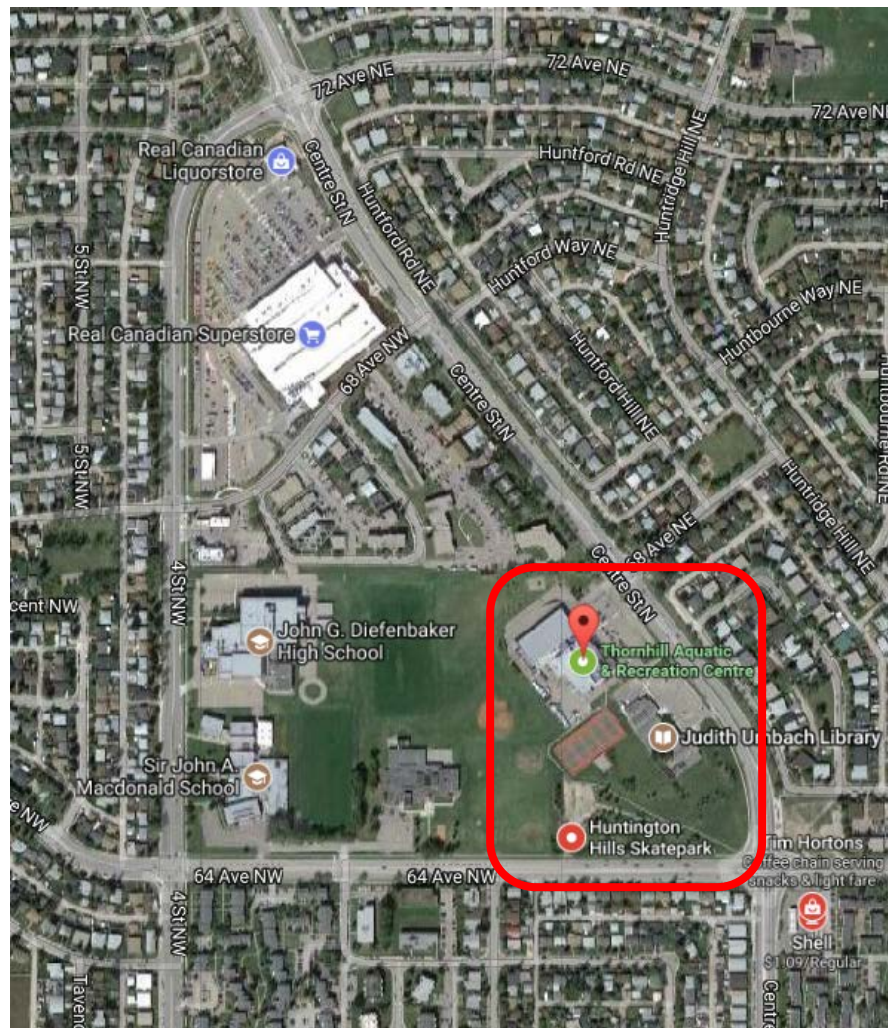
Thornhill

Program: ICFP/ TOD / Green Line

Address: 6715 Centre St. NW.

Building Type: Multi Storey Building

Total Number of units: 48 units



Increase Supply Affordable Housing Units Types

The New Projects target is to accommodate **153** new households within the budget cycles **2019-2022** and **2023-2026**.

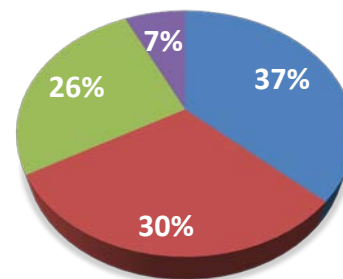
New Builds

Type of Units	No. of Units
Studio	21
1BR	17
2BR	15
3BR/4BR	4
Total	57

Integrated Civic Facilities Program

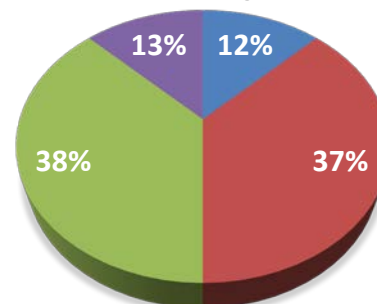
Type of Units	No. of Units
Studio	12
1BR	36
2BR	36
3BR/4BR	12
Total	96

Types of Units (2019-2026)



■ Studio ■ 1BR ■ 2BR ■ 3BR/4BR

Types of Units (2019-2026)



■ Studio ■ 1BR ■ 2BR ■ 3BR/4BR



3. Affordable Housing Redevelopment Program (2019-2022)

Calgary Housing Company received funding from the Province to complete a feasibility study on two sites that were at or near the end of their lifecycle.

In 2012, 96 units of social housing were demolished on the Southview site with the intent of redevelopment. A second site has been identified. The redevelopment of these two sites together allows for a sustainable solution which is operationally viable. The two sites will contain two mixed-use, mixed-income housing developments replacing the 96 social units and including an additional 245 mixed-income units for a total of 341 units. The redevelopment will revitalize both sites, provide affordable housing and community supports, and demonstrate the shared social values of The City of Calgary, and The Province of Alberta.

Redevelopment Projects (2019-2022)	Estimated No. of Units Based on Existing Land Use
Site 1 – (Confidential site 3)	145
Site 2 - Southview	196
Total	341*

* The total number of units will be determined through a fact-based feasibility study that will be completed in September 2018.

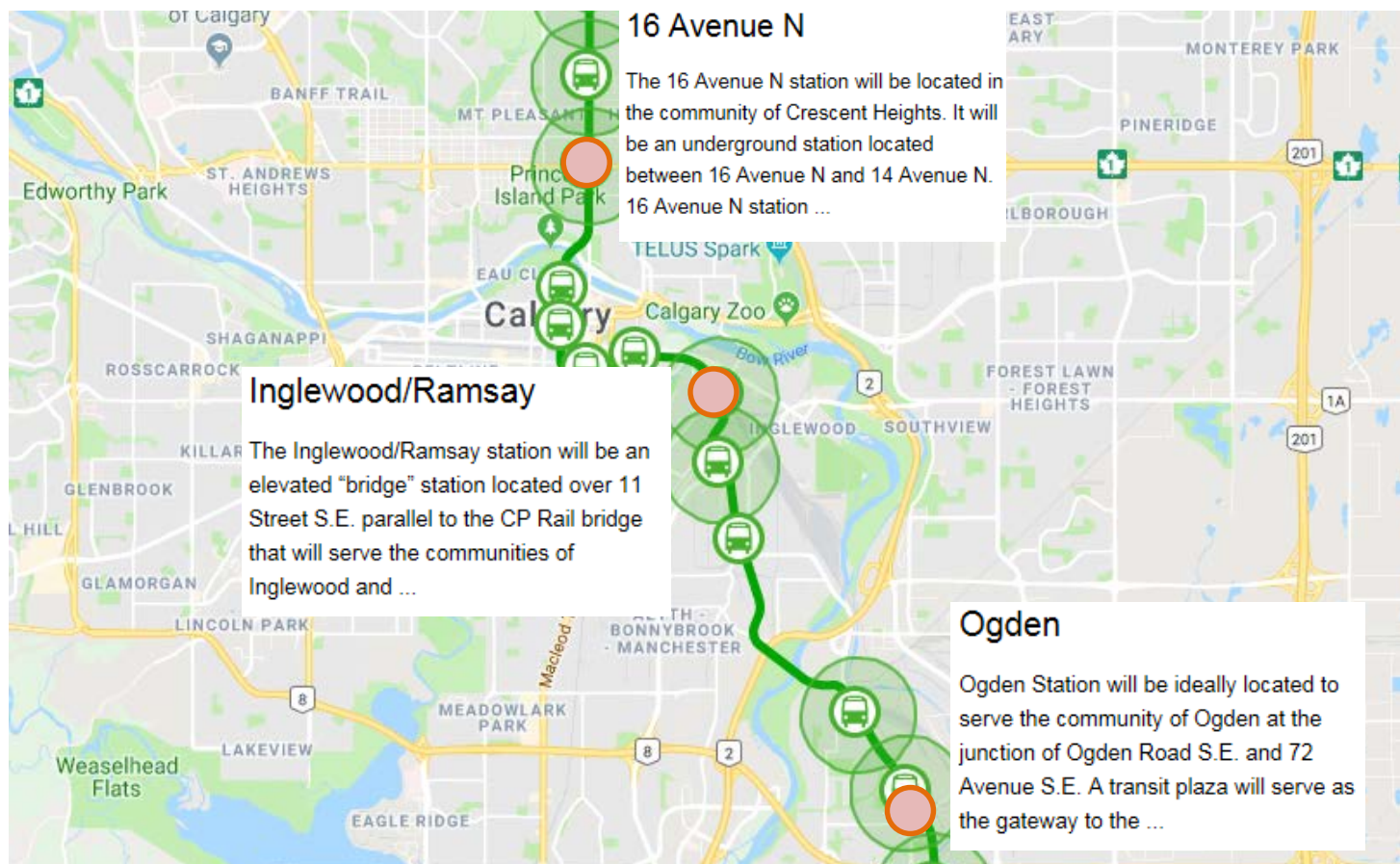


4. Increase Supply Affordable Housing - Green Line (2019-2026)

Three priority investment areas as identified in Green Line Layer 3 TOD and Layer 4 - City Shaping provide an opportunity to leverage transit funding for the social benefit of affordable housing.

Station Name	Priority	Non-Market Housing Households within 1 KM	Projected Population 2026	20% of population AH	# units required (3 ppl/unit)	Projected Households within 1km (2026)	City Contribution to Total AH Market (41%) (2026)	City Contribution to Total AH Market (41%) (5 years Target)
16 Av N / 28 Av N	1	81	11,690	2,338	779	698	286	180
2 Av SW		603	10,655	2,131	710	107	44	28
7 Av SW		470	8,359	1,672	557	87	36	22
Centre St S		546	14,121	2,824	941	395	162	101
4 St SE		171	8,469	1,694	565	394	161	101
Inglewood/Ramsay	1	161	3,451	690	230	69	28	28
26 Av SE		8	770	154	51	43	18	11
Highfield		0	5	1	0	0	0	0
Lynnwood/Millican		100	2,860	572	191	91	37	23
Ogden	1	140	3,693	739	246	106	44	44
South Hill		27	2,079	416	139	112	46	0
Quarry Park		0	2,817	563	188	188	77	48
Douglas Glen		0	2,745	549	183	183	75	47
Shepard		0	3,331	666	222	222	91	57
Subtotal		2,307	75,045	15,009	5,003	2,696	1,105	691
TOTAL UNITS FOR 3 PRIORITY STATIONS (16Ave/28Ave, INGLEWOOD/RAMSAY and OGDEN)								252

Green Line Station Priority (2019-2026)



<http://www.calgary.ca/Transportation/TI/Pages/Transit-projects/Green-line/map.aspx>

**Community Services Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0357
Page 1 of 5**

Report on Sustainability Framework for Calgary's Cornerstone Arts Organizations

EXECUTIVE SUMMARY

Council granted \$2 million in bridge funding to Calgary's Cornerstone arts organizations in 2017 July, with the proviso that they work with Calgary Arts Development Authority (CADA) to develop a sustainability framework for the future. Subsequently, the ten Cornerstones (Alberta Ballet, Calgary Opera, Folk Festival Society, National Music Centre, Alberta Theatre Projects, Theatre Calgary, Glenbow Museum, Calgary Philharmonic Orchestra, One Yellow Rabbit and Theatre Junction Grand) worked with CADA to develop a framework which helped to determine what would be required to sustain the cohort of key cultural assets now and into the future.

The Cornerstone Sustainability Framework (Attachment 1) was developed by consultant Karen Ball, working collaboratively with executive staff and board members of the current Cornerstone organizations. The framework provides a baseline snapshot of their current resources, both human and financial, and the capacity they have to effectively invest in employment and audience outreach to meet the expectations of Calgarians.

The Framework also provides suggested interventions to help sustain these key arts organizations. These include: increased use of technology and digital tools to better serve audience needs; enhanced use of data to develop better knowledge of the market of potential investors, donors and sponsors; working with culturally diverse and equity-seeking communities to reach a wider audience; training staff to work in both the non-profit sector and the creative industries; and developing creative partnerships with communities to encourage public interaction.

The key finding of the Framework is that a lack of reliable sustainable operating funding prevents the Cornerstones from achieving the outputs that fulfill their missions and create value for citizens. Particularly with the instability of private sector funding caused by the economic downturn and with benchmarking from other Canadian municipalities, the conclusion is that the amount of municipal funding required to sustain their operations would represent an average of 8% of their annual operating budgets. Such an investment would significantly affect the ability of organizations to maintain operating funds at a level which could support course correction and strengthen adaptive capacity. The CADA Board and Executive will, therefore, be taking that into consideration as they develop their strategic plan and budget for 2019-2022.

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ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council:

1. Accept Calgary Arts Development Authority's (CADA) use of the Sustainability Framework as an assessment tool to determine the sustainability and impact of arts organizations in Calgary; and
2. Direct Administration to take into account CADA's recommendation for increased municipal funding to sustain arts organizations as part of the development of One Calgary.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 July 31, Council approved the Priorities and Finance Committee's recommendations to:

- Approve a one-time budget of \$2 million to Program 449 for Calgary Arts Development Authority funded from the Fiscal Stability Reserve (FSR) to invest immediately in the 10 Cornerstone arts organizations and report back in Q4 2017 on the investment of the funds.
- Direct Calgary Arts Development to work with the Cornerstones to develop a sustainability framework and report back to Council through Priorities and Finance Committee with an update no later than Q2 2018.

On 2017 June 29, as part of the discussion of the Economic Development Investment Fund (EDIF), Council referred Recommendation 5 of that report and directed Administration to work with Calgary Arts Development and bring forward a report and recommendations in regard to the 10 Cornerstones and report through the Priorities and Finance Committee with alternative funding sources, no later than 2017 July.

On 2017 March 06, Council directed Administration to explore the creation of an Economic Development Investment Fund to respond to the prolonged economic challenges and capitalize on new opportunities that will create jobs, drive economic recovery and revitalize the downtown core.

On 2016 November 28, Council adopted the first Cultural Plan for Calgary that emphasized, as one of five key priorities, the need to Grow Calgary's Cultural Sector and Creative Industries, recognizing the economic and creative potential of Calgary's not-for-profit cultural sector and for-profit creative industries.

On 2015 February 10, Administration presented the Economic Resilience Strategy to Council (VR2015-0014) to focus efforts and to respond to the emerging economic downturn. One strategy singled out the need to contribute to the creation of a vibrant downtown, because a culturally vibrant downtown affects Calgary's ability to attract and retain businesses, residents and jobs.

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BACKGROUND

For each of the past eight years the Cornerstone arts organizations have received a total of \$1.7 million annually from The City through CADA. On average, this accounted for 3.5% of their total revenues. Until the economic downturn, sponsorships and donations from the private sector made up 38% of their revenues but with the downturn those were reduced dramatically. This led to cutting budgets, using up reserves and reducing services and jobs. As labour market reviews suggested a slow economic recovery for Calgary, CADA believed that Calgary was at risk of losing the Cornerstone arts organizations that have taken decades to build. In 2017 July Council provided an additional \$2 million to the Cornerstones as bridge financing to provide time to consider the appropriate level of annual funding going forward.

Council was convinced that these organizations needed to adjust to the new economic situation and directed the Cornerstones and CADA to take the opportunity to develop a new framework for sustainability.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Arts Consultant Karen Ball was contracted by CADA to work with the Cornerstone arts organizations to develop a framework through which the sustainability of the Cornerstones could be assessed. She began by examining the data collected by CADA over the past few years, as well as the Cornerstones' applications for bridge financing. Based on this information, a Framework was developed which examined the following inputs:

- Resources (operating reserves, human resources, working capital, etc.);
- Capacity (technical tools, fixed assets, ability to innovate, etc.);
- Production and creation (product offering, development of new work, etc.) and
- Reach and Relationships (market, partnerships, local and national reputation, etc.).

Consideration of these inputs indicated that there were opportunities as well as challenges. Cornerstone companies identified opportunities to support organizational adaptation through the use of technology and digital tools, but their adaptive capacity is hampered by the dated technology currently available to them. While volunteer numbers have increased substantially, they have not been able to sustain the number of full time staff employed, leaving gaps in knowledge and training. Excited that their audiences grew by more than 10% from 2010-2016 these companies are frustrated that they have not yet been able to meet the demand of increasingly diverse audiences and artists. Despite actively employing ways to manage operating funds by building reserves and endowments, the gap between revenues and expenses is growing. While they consider a variety of ways to increase revenues, as non-profit arts organizations that have charitable status and receive public funding to increase access and maintain affordability, they must be conscious of ensuring that they continue to provide public benefit.

Recognizing that these organizations must provide a public good, the Framework also considered as outputs the economic, social and cultural impacts on Calgary's quality of life made by the Cornerstones. These outputs were determined to be in strong alignment with the Council-approved goals of Calgary Economic Development, Tourism Calgary and the Cultural Plan for Calgary as well as CADA's arts development strategy, Living a Creative Life.

Report on Sustainability Framework for Calgary's Cornerstone Arts Organizations

The analysis concluded that, despite their best efforts to reduce costs and raise revenues from a variety of sources, the Cornerstones are facing reduced resources and capacity which seriously affects their ability to enhance the quality of life in Calgary.

Stakeholder Engagement, Research and Communication

Calgary-based consultant Karen Ball, whose experience includes work with provincial and federal arts funders and organizations, was hired to work with CADA's staff to lead the process, visualize the Framework, and help prepare the final report. Executive staff and board members from each of the ten Cornerstones participated in a Sustainability Framework Working Group. They were joined by representatives from the following non-Cornerstone organizations: Quickdraw Animation, Shakespeare Company, Sled Island. The Working Group met five times and collaboratively developed the Sustainability Framework.

CADA also undertook research to compare municipal arts grants in Canada, including benchmarking data from MBN Canada. That research indicated that Cornerstone companies receive the lowest percentage of municipal funding of any of their counterparts across the country, at an average of 3.5% of their annual budgets. CADA concluded that increasing the municipal investment to an average of 8% of Cornerstones' annual operating budgets would put them more in line with what their counterparts across Canada receive from municipal funders.

The Sustainability Framework Working Group believes that the Framework it developed can be effectively applied to Calgary's entire arts sector, or even to an individual arts organization, to assess its sustainability. Going forward, CADA can use this as an assessment tool, with the original data providing a baseline against which to measure the health of the sector.

Strategic Alignment

Social, Environmental, Economic (External)

The Sustainability Framework seeks to ensure that the Cornerstones can be sustained as the engines of Calgary's arts eco-system. Their collective impact is enhanced resilience and a range of social and economic benefits, including regional employment.

The following plans and strategies, endorsed by Council, rely in part on the health and contribution of the Cornerstones to be fully realized. These plans and more, identify the arts, specifically the downtown arts sector and Cornerstones, as important drivers to many of their outcomes and goals:

- The City of Calgary's Quality of Life and Triple Bottom Line Strategy
- Calgary's Centre City Strategy (City of Calgary),
- Living a Creative Life (Calgary Arts Development),
- Building on Our Energy – an Economic Development Strategy for Calgary (Calgary Economic Development)
- Calgary Ultimate Hosts, Ultimate Host City Destination Strategy (Tourism Calgary), and
- A Cultural Plan for Calgary (City of Calgary),
- Civic Arts Policy (City of Calgary)

Report on Sustainability Framework for Calgary's Cornerstone Arts Organizations

Financial Capacity

Current and Future Operating Budget:

There are no current operating budget impacts associated with this report or its attachment.

Future operating budgets will consider CADA's recommendation to increase the municipal funding investment for Cornerstone arts organizations to an average of 8% of their operating budgets.

Current and Future Capital Budget:

There are no current or future capital budget impacts associated with this report or its attachments.

Risk Assessment

The ten Calgary arts organizations that are included in the CADA "Cornerstone" program play a critical role in Calgary's arts eco-system as incubators, employers, and cultural content creators. The indications from the information collected to inform this Sustainability Framework are that their resources and capacity have been diminished as a result of the economic downturn, which in turn erodes the sustainability of the Calgary's entire arts sector.

REASON(S) FOR RECOMMENDATION(S):

The development of the Sustainability Framework will provide CADA with a tool by which to assess the ongoing sustainability of individual arts organizations and the sector at large. The Framework's recommended level of municipal investment in arts organizations is well-timed for consideration in the development of One Calgary.

ATTACHMENT(S)

1. Cornerstone Sustainability Framework

Cornerstone Sustainability Framework



Prepared by Karen Ball, March 2018

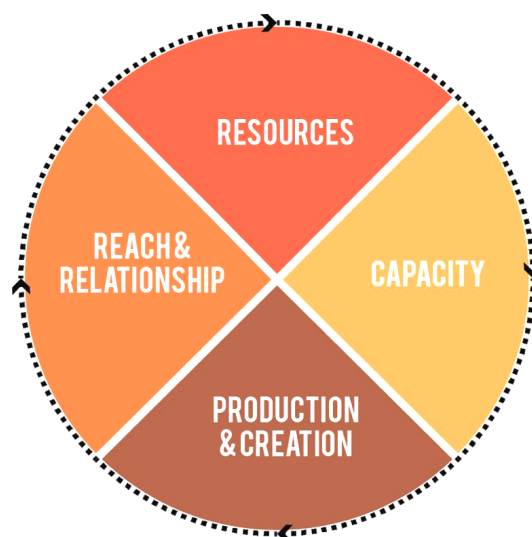
Methodology and Approach

The statistical information in this report is drawn from Cornerstone audited financial statements and statistical data from the Canadian Arts Database (CADAC) to the year 2015-16. Although financial information for 2016-17 is currently unavailable, regular discussion with Cornerstone Companies indicates that financial trending has been consistently downward with no recovery for the period 2014 to 2017.

In determining key findings and suggested interventions, the greatest consideration landed on the critical role that public funders (governments) play in supporting the operational sustainability of the arts sector—in particular, through providing sustained and stable annual investment through operating grants. All three orders of government play an important role in supporting the ongoing sustainability of Cornerstones through investing in their operations. These investments are critical for the sustainability of the arts sector and its ability to deliver a multitude of benefits to citizens.

Sustainability Framework

A sustainable arts sector is driven by a balance of healthy resources (inputs) that build the capacity needed to achieve and deliver vibrant creation and relationships (outputs). Each of these elements is dependent on the others. Resources build capacity. Capacity results in high quality productions and creation programs. Through exciting productions and healthy programs, organizations increase their reach and develop important relationships, which, in-turn, strengthen resources. If properly balanced the cycle is virtuous (i.e. each segment feeds the growth and health of the next) and produces strong outputs that support the vibrancy and connectedness of the city. If improperly balanced, the cycle is vicious. In the case of the Cornerstones, the current stranglehold on reliable sustainable operating funding (resources) has created a vicious cycle that is eroding the sustainability of the entire sector and its ability to advance the broader goals of the city.



In determining current and future sustainability of the Cornerstone Companies, this report considers the past and current state of each segment of the sustainability cycle across all Cornerstones using data and testimonials provided through Calgary Arts Development's grant investment programs. Central to the findings is that diminishing or stagnant resources have been steadily reducing capacities of the Cornerstones to deliver on their mandates. If resources cannot keep pace with inflation, some organizations will be forced to dramatically reduce programs or close their doors altogether.

At the same time as capacities have been shrinking, Calgarians have been more active than ever as audiences and participants in Cornerstone programs. This growing demand from citizens is matched with a growing acknowledgement from the City and its partners of the importance of vibrancy and human connectedness in advancing the social and economic goals of key City strategies. The Cornerstones are major drivers of both vibrancy and human connectedness.

This framework provides a mechanism for identifying strategies that would bolster Cornerstone sustainability and move them from a vicious to a virtuous cycle.

"As a business person, I use my theatre training and experience every day. Sometimes it's in ways you'd expect whether I'm dealing with staff, partners or making a sale: knowing my audience, listening, telling a compelling story, being clear with my message - and most importantly - knowing when to shut up. But more importantly, I'm going to learn more about living in Alberta from Death of a Salesman, from King Lear from Jake and the Kid and from Mary's Wedding than I ever get from Costco."

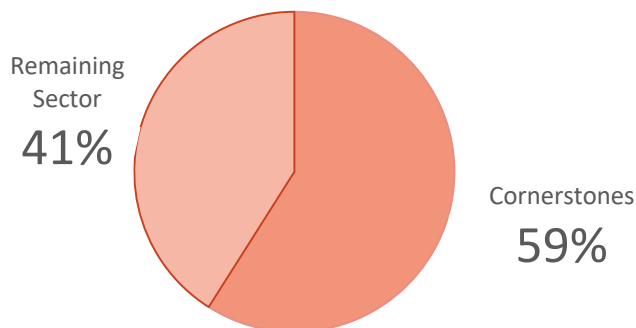
Dave Kelly,
Executive Producer Kelly Brothers, Theatre Artist, TV Personality, Community Leader

The Cornerstones are an engine of Calgary's arts ecosystem.

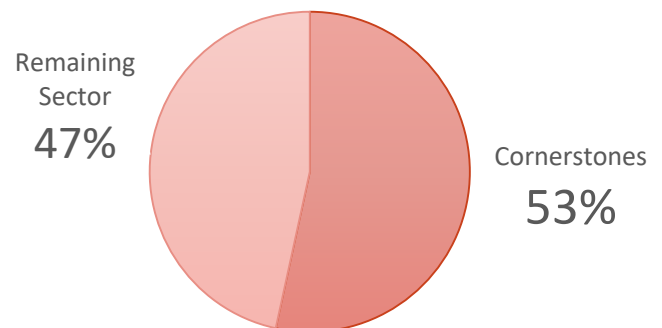
Calgary Arts Development supports 160+ organizations on behalf of the City of Calgary through their Operating Grant Investment Programs. Ten of these organizations represent the Cornerstones: Alberta Ballet, Calgary Opera, Folk Festival Society, National Music Centre, Alberta Theatre Projects, Theatre Calgary, Glenbow, Calgary Philharmonic Orchestra, One Yellow Rabbit and Theatre Junction GRAND. The Cornerstone Companies hold an important place within Calgary's arts ecosystem as cultural assets, tourist attractions, educational institutions and community builders that support Calgary's high quality of life, vibrant downtown and diversified economy. They drive economic impact, support full-time employment and contribute heavily to the artistic vibrancy of the city. Cornerstone Companies had a combined direct economic output of \$69,015,934 in 2016 accounting for 59% of the economic output of all organizations funded by the City of Calgary through Calgary Arts Development's operating grant investment programs and provide 53% of the sector's 664 full-time equivalent employment (for 2015/16). Of the almost 4,000,000 Calgarians who experience the arts every year, one in three does so through a Cornerstone Company.

The health of the Cornerstones and their ability to make investments in programs that focus on arts incubation, artist employment, audience development and arts education supports the health of Calgary's entire arts ecosystem. While this framework focuses on the Cornerstones, this model and many of the key findings apply to the breadth of organizations supported by Calgary Arts Development.

Economic Output of Cornerstones



2015 Full-Time Equivalent Staff



The Cornerstones play a key role in advancing the goals of the City and its partners.

The Cornerstone Companies are important contributors to the quality of life of all Calgarians. They directly advance several goals of The City of Calgary and its partners' key strategies including *Living a Creative Life* (CADA), *Building on Our Energy—an Economic Strategy for Calgary* (CED), *Calgary Ultimate Hosts Ultimate Host City Destination Strategy* (Tourism Calgary), *A Cultural Plan for Calgary* (City of Calgary), *Calgary's Triple Bottom Line Strategy* (City of Calgary), *One Calgary Plan* (City of Calgary), *Quality of Life Strategy* (City of Calgary), *Municipal Development Plan* (City of Calgary) and impacts from the *City Resilience Framework* as part of the 100 Resilient Cities Initiative.

When properly balanced and virtuous, the cycle produces strong outputs that feed the vibrancy of the sector and the city and directly contribute to meeting City goals. The following chart indicates the goals and objectives of key City approved plans that are furthered by sustainable Cornerstone organizations as well as the types of inputs required by Cornerstones to provide these outputs.

INPUTS

Financial Resources: public grants and other supports municipally, provincially and federally; earned revenue through tickets and fees; and contributed revenue through sponsorships and donations (including endowment revenue).

Human Resources: staff, contractors and volunteers.

Capacity: fixed assets (including infrastructure), technical and administrative tools and competencies, and the adaptive capacity of organizations to be flexible, responsive and innovative.



RESOURCES

CAPACITY

REACH & RELATIONSHIPS

PRODUCTION & CREATION

OUTPUTS

Building on Our Energy: An Economic Strategy for Calgary (CED)

- Grow the Creative industries and the digital economy
- Establish new and support existing hubs of innovation
- Address greater connectivity between Calgary's primary cultural, recreational and commercial districts in the Centre City
- Establish Calgary as an artistically vibrant city and cultural destination in Canada
- Showcase Calgary's urban assets to the world and increase citizen participation in events and festivals
- Grow tourism through enhanced local attractions
- Collectively map, develop and implement a welcoming program for newcomers to Calgary

A Cultural Plan for Calgary (City of Calgary)

- Grow Calgary's cultural sector and creative industries
- Activate Culturally vibrant neighbourhoods and districts
- Maximize Calgary's diversity advantage
- Conserve and celebrate Calgary's built, natural and Indigenous heritage
- Reinforce the City Centre as the cultural heart of the City

Calgary Destination Strategy (Tourism Calgary)

- Attract, develop, enhance, promote and strengthen premier cultural experiences year-round
- Make Calgarians and visitors aware of the events, festivals, performances and experiences available to them.

Living A Creative Life: An Arts Development Strategy for Calgary (CADA)

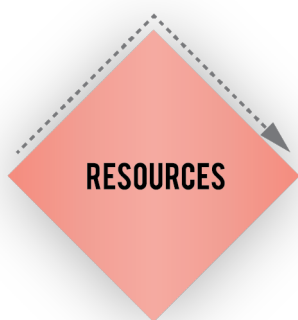
- Calgary strongly attracts artistic talent to live, work and achieve artistic excellence
- Calgary is regarded as a world-class city because its artists, arts organizations & presenters import and export the highest quality of work on regional, national and international markets
- Calgarians enjoy access to a rich spectrum of arts experiences
- Calgary's youth become highly engaged & innovative citizens
- Calgary's communities enjoy access to a rich spectrum of arts experiences
- Calgary's Centre City radiates creative energy from the core out, making it a destination for Calgarians and Visitors alike.

The Cornerstones are in a vicious cycle that needs intervention to be sustainable.

I have had the opportunity to represent the Calgary Opera board at several opera trustee forums throughout North America and our partnership with the Calgary Stampede to create a Community Arts Centre as part of their youth campus stands out as unique, forward thinking and importantly, will allow us to increase collaborations exponentially. The Calgary arts community is resilient and Calgary Opera in particular is at the forefront of not only adapting to the current environment, but improving the arts and culture experience during this difficult time.

However, to accomplish these objectives, it is important we continue to build support from individuals, government and business.”

Jackie Pyke, Board Member, Calgary Opera



Key Finding: Working capital and operating reserves are diminishing. Granting remains frozen and operating reserves are being eroded while the gap between revenues and expenses is growing. Revenues come from government grants, contributed revenue (sponsorships, corporate and individual donations), and earned revenue (tickets, program fees, rentals). (see pg. 8)

Priority Intervention:

Increase reliable, stable financial investment that supports business operations.

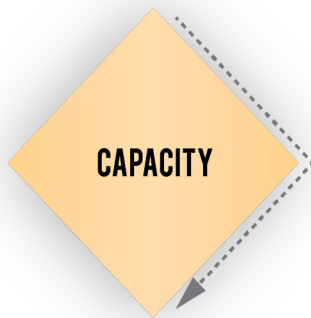
- ⇒ An annual municipal investment of an average of 8% of Cornerstone Companies' operating budgets (currently at 3.5%) would have a profound effect on the ability of organizations to operate with sufficient working capital, maintain operating reserves for “rainy days” and potentially grow opportunity capital to support experimentation and course correction. All critical factors in sustainability.

Increased stable operating capital is the key to creating a virtuous cycle, and would activate greater success in building capacity and achieving artistic and community impact goals (outputs), including:

- ⇒ Building a stronger workforce—reliable, stable operational funding can help support competitive wages and professional development opportunities to contribute to a stronger, more sustainable workforce that is right-sized to deliver against existing activity levels and expectations. Organizations can also work to enable a more diverse workforce by removing barriers to allow the entry and training of diverse staff.
- ⇒ Ensuring greater vibrancy in Centre City to attract business, a talented workforce, and visitors to Calgary.
- ⇒ Increasing resilience in the arts sector.

The Calgary Philharmonic Orchestra is a cornerstone musical organization and defining feature of Calgary's civic identity. Music comes first at the CPO. We have a streamlined, efficient organization with maximum resources focused on making great music. We engage and serve our community musically, socially and educationally. The CPO is an open, mutually respectful community of musicians, staff and stakeholders that celebrates creativity and diversity.

Paul Dornian, CEO, Calgary Philharmonic Orchestra



Key Finding: Capacity is strained. Demand is outstripping capacity and limiting the ability for organizations to adapt to changing demographic and consumption patterns. (see pg. 9)

Priority Outcome: Enable capacity growth and adaptation through innovation and technology

⇒ In 2015 Calgary Arts Development partnered with the Alberta Foundation for the Arts (Government of Alberta), Calgary Foundation, Suncor Energy Foundation, and the Edmonton Arts Council on a program to assist organizations become more adaptive and resilient.

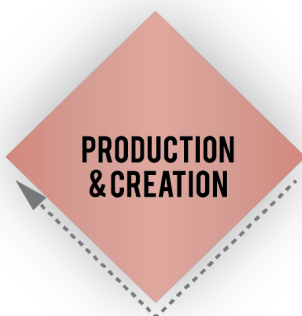
⇒ Although considerable work has been done to support adaptive

capacity, Cornerstone Companies have identified a further opportunity to support organizational adaptation through the use of technology and digital tools to better serve the needs of today's audiences and participants.

⇒ Access to enhanced technological tools and skills will enable in-depth market knowledge in order to better understand and meet the needs of Calgarians, including those investing in the sector as sponsors and philanthropists. Through the use of data, Cornerstones will be able to create more customized arts experiences for Calgarians in ways that align with their wants.

Thanks to the Rodeo, I was able to see some of the most incredible theatre I've ever seen in my entire life and I am eternally grateful. My career as an artist has been so inspired lately by my chance to watch artists do their thing and also have the chance to speak with them.

HPR Rodeo Beautiful Young Student Attendee



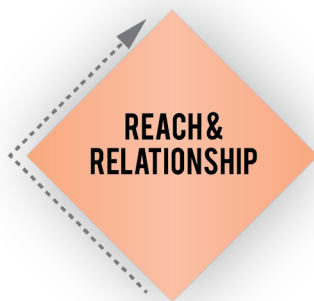
Key Finding: The number of accessible programs and the number of artists and creative industry workers that are engaged is shrinking. Free programs or programs that do not generate revenues from ticket sales or sponsorships are being reduced, even though they may have great community value and impact. (see pg. 10)

Priority Outcome: Enable organizations to continue to provide affordable and accessible programs for all Calgarians that also support artists, the creative industries and keep jobs in Calgary.

- ⇒ Enable Cornerstone Companies to continue making significant contributions to the reputation of Calgary and Canada through the creation of original works that tell our stories.
- ⇒ Enable Cornerstones to provide low cost or free education and outreach programs that deliver community value and impact.
- ⇒ Provide sustainable operating funding in order to enable Cornerstones to spend more of their time and energy cultivating corporate and individual donations to support education and community outreach programs, to produce large-scale productions, and to take creative risks.
- ⇒ Provide conditions for the creative industries to flourish. There are strong relationships between the non-profit arts sector (the living lab) and the creative industries. The non-profit sector develops talent and skills, and creates content, which strengthens the creative industries and provides jobs for creative industry workers.

I teach a series of large lecture courses at the University of Calgary each of which requires students to see four plays per semester. As a result, thousands of my students have attended shows. The single most important thing in arranging this program is the “\$10 Ticket Thing” promotion. It allows students to afford professional shows that would otherwise be out of their reach. The students who come with me to your shows come from all different faculties and from countries around the world. By making your shows accessible to them you increase the reach of your work and build valuable relationships in the community.

Professor Patrick Finn, School of Creative & Performing Arts



Key Finding: There is increasing demand for Cornerstones to do more with less. More Calgarians are engaging with the arts and many are seeking free or low cost programs. The City and its stakeholders are relying on Cornerstones to play a key role in advancing many City quality of life objectives. (see pg. 11)

Priority Outcome: Enhance citizen benefit by supporting a vibrant city centre and accessible cultural experiences that reflect the many faces of Calgary through Cornerstone programs.

- ⇒ Unlock Cornerstones’ ability to place a priority on creating innovative work by and with culturally diverse and equity seeking communities including local stories that capture local history.
- ⇒ Stronger Production & Creation will enable Cornerstones to focus more energy and resources to increasing reach and strengthening relationships.
- ⇒ Stronger Production & Creation will strengthen local community relationships and generate an increased sense of belonging, Cornerstones need to develop creative partnerships with communities. This includes things such as community labs and programs that encourage public interaction. These will provide mutual benefit to advancing the goals of all partners and the community.

Supporting Research

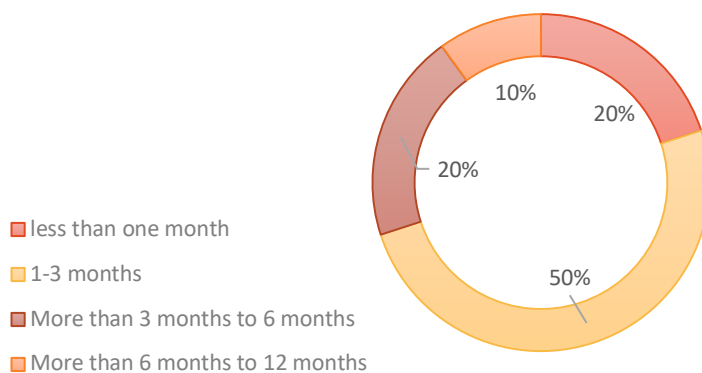
Resources

Consideration was given to working capital; operating reserves; change, risk and opportunity capital; facilities and equipment capital; and endowment capital.

Key Finding: Working capital and operating reserves are diminishing

Granting remains frozen and operating reserves are being eroded while the gap between revenue and expenses is growing. Sources of revenue include grants from all three levels of government, contributed revenue from corporations, individuals and foundations; and earned revenue from ticket sales, program fees, rentals, etc.

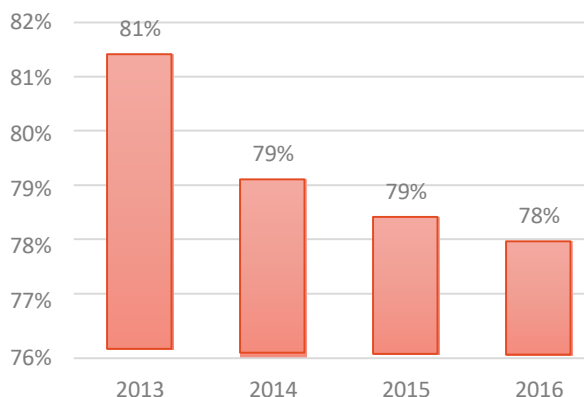
2016 Operating Reserves



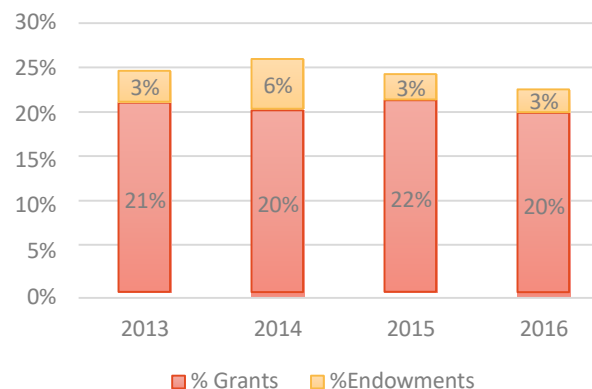
This graph shows that 90% of Cornerstones have less than six months of operating reserves. This is well above the average 62% of organizations in the overall non-profit sector that have operating reserves less than six months, however it is in line with operating reserve tendencies amongst arts and culture non-profits of all sizes.

Expenses are rising with the cost of inflation at an average of 3.35% per year while grants that make up for the gap between revenue and expenses remain stagnant. Some organizations have had to dip into their endowments to operate (which erodes their sustainability), while those without endowments (70% of Cornerstones) are faced with incurring debt to operate.

Total Earned & Contributed Revenue in Support of Expenses



Total Grants and Endowments in Support of Expenses



Capacity

Consideration was given to full-time employees, part-time and seasonal employees, and board members and volunteers; fixed assets; technical tools and competencies; administrative tools and competencies; the ability to be flexible and responsive; and the ability to incubate and innovate.

Key Finding: Capacity is strained

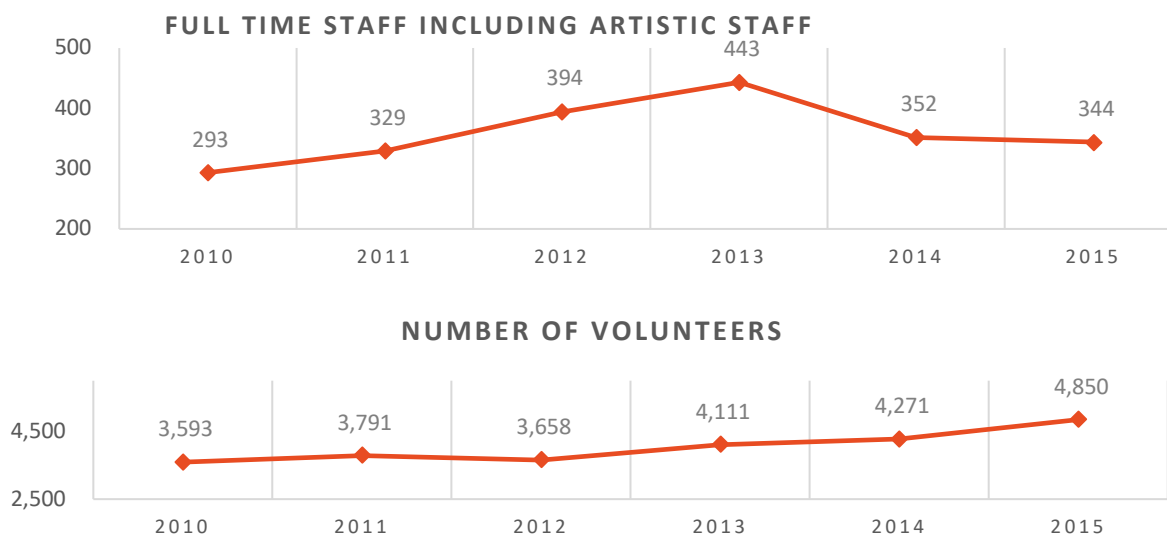
With insufficient operating support, demand is outstripping capacity and limiting the ability for Cornerstones to maintain staff and to adapt to changing demographic and consumption patterns.

Adaptation requires both the ability to be flexible and responsive and the ability to innovate and incubate. Cornerstone Companies struggle with basic capacities to meet growing demand and keep up with inflation. The need for adaptation is a universal issue facing all non-profit organizations. Like other creative industries such as publishing and media, the arts need to adapt to the changes in consumption driven by technological advances and the changes in audience driven by the diversification of the population to reflect a global perspective.



*Compound annual growth rate (2010 – 2015/16)

Organizations are relying more and more on seasonal employees and volunteers to operate and do not have the capacity to experiment, take risks or build their technical competencies to meet the changing market needs.

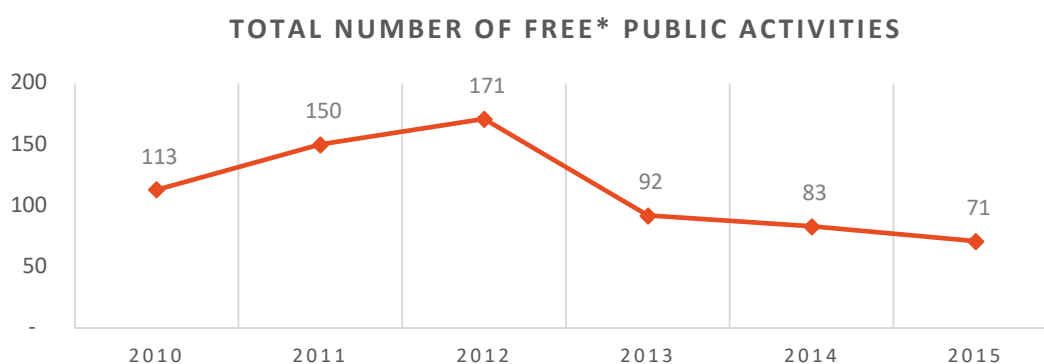


Production and Creation

Consideration was given to existing programs, development of new programs, touring and exchange, and arts incubation.

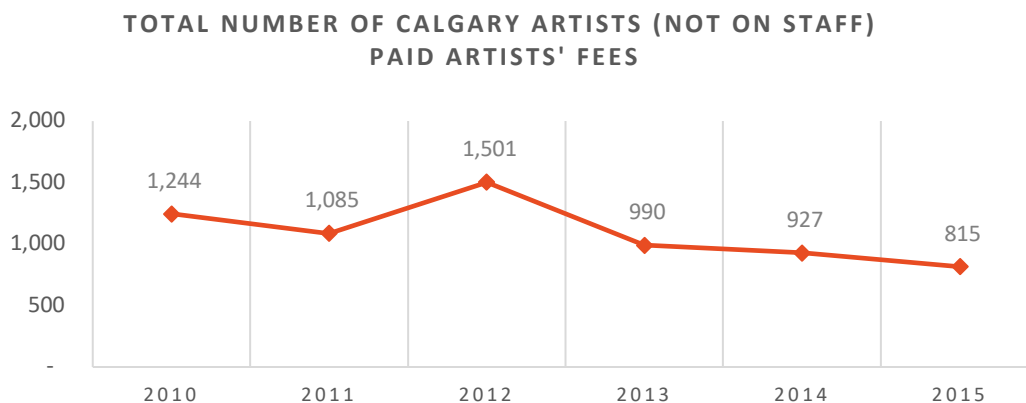
Key Finding: The number of accessible programs and the number of artists and creative industry workers that are engaged is shrinking.

An outcome of limited capacities due to insufficient working capital is that the number of free programs are being reduced in favour of programs and activities that drive earned revenue (tickets and fees). All programs and activities available to the public (ticketed and free) have reduced by 34% between 2012-2015 while free activities have reduced by 58% during this same period. At the same time, Calgarians are seeking out free or low cost programs and attendance for these activities is increasing (see attendance figures, page 11)



*this represents programs that have zero cost to the participant. There are many other low-cost programs being offered at a subsidy to Calgarians. Even at full price, ticket fees do not cover the true cost of production, so it could be argued that all activities are subsidized to one degree or another.

At the same time, productions and programs that require larger numbers of professional artists to be paid artist fees are being reduced. With the exception of 2012, when the Calgary Folk Festival engaged hundreds of local artists in a two-day opening celebration of Festival Hall, the number of Calgary artists paid professional fees has been on a steady decline since 2010.



Reach and Relationships

Consideration was given to ticket buyers and participants, new market development, partnerships, awareness within Calgary and awareness outside of Calgary.

Key Finding: The Cornerstones could play a far greater role in advancing many City quality of life objectives.

92% of Calgarians engage with the arts either through arts attendance, arts creation or through media. 86% believe the arts bring people together and enable people to connect to each other, and 79% believe that a strong arts and culture scene is key to creating a vibrant, safe and prosperous city. The Citizen Satisfaction Survey tells us that 80% of Calgarians believe that support for arts and culture including festivals is somewhat or very important. These statistics demonstrate how the arts are not elitist or exclusionary, but are important to the vast majority of Calgarians.

Calgary demographics are shifting with an ever-growing number of people coming to Calgary from international markets. This new growing population is an opportunity for Cornerstones to expand their market reach, but it will require an increased level of engagement to attract and retain these new audiences and participants.

At the same time as Calgary’s population grows, the total number of attendees at Cornerstone organizations steadily grows (driven in part by the opening of the National Music Centre and Festival Hall). This growing audience finds connections to others and a sense of belonging through the arts. With insufficient operational funding, Cornerstones are working too close to the bone to afford time and resources for strategies that will reach new audiences and develop important relationships.

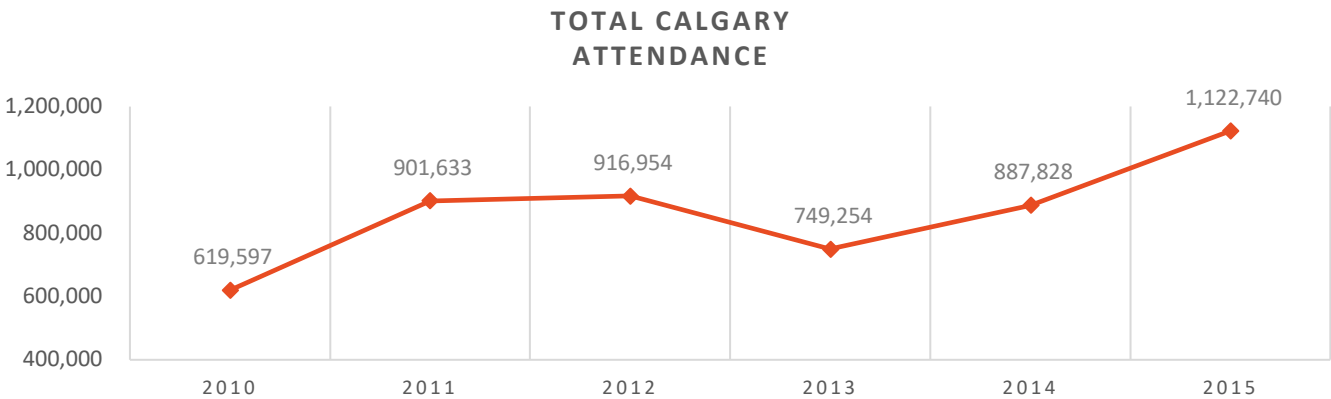
2.3% Largest increase in population growth among major Canadian cities

1st Youngest population among Canada's major metropolitan cities

59.7% Of people moving to Calgary came from international markets

Calgary is **Canada’s Third Most Diverse City**

Calgary Economic Development Demographic Statistics



The City is planning for the future quality of life for its citizens through a series of strategies that rely in part on the health and contribution of the Cornerstones to be fully realized. These plans, and more, identify the arts and specifically the downtown arts sector and Cornerstones as important drivers to many of their outcomes and goals:

- ⇒ A Cultural Plan for Calgary (City of Calgary),
- ⇒ Calgary's City Centre Strategy (City of Calgary),
- ⇒ Living a Creative Life (Calgary Arts Development),
- ⇒ Building on Our Energy – an Economic Development Strategy for Calgary (CED)
- ⇒ Calgary's Ultimate Host, Ultimate Host City Destination Strategy (Tourism Calgary), and
- ⇒ The City of Calgary's Quality of Life and Triple Bottom Line Strategy

Moving Forward

This sustainability framework can be applied to the entire arts sector, or sub-sector (as is the case with the Cornerstones) or even to an individual organization to assess their sustainability and to identify interventions that may be necessary to build a virtuous and sustainable cycle.

The Cornerstone sustainability analysis contained in this report and proposed interventions reflect current circumstances and their effect on the sustainability of Cornerstone organizations. Cornerstones are currently experiencing a reduction of sponsorship and other contributed revenues along with steady inflationary growth of expenses. Cornerstones rely on operating grants from all three orders of government to bridge the gap between revenues and expenses, however municipal operating funding for Cornerstones has been frozen for the past eight years, not keeping pace with inflation. It is a priority to address this softened municipal operating support and to work to strengthen it to be able to ensure that Cornerstones can continue to operate sustainably and to provide lasting citizen benefit.

**Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0158
Page 1 of 6**

Assessment and Tax Circumstances Report

EXECUTIVE SUMMARY

Council approval is needed to cancel taxes accrued in individual tax accounts. This report is presented to Council twice annually and this is the first report this year. The report includes the applicable 2016 and 2017 taxes accrued in property and business accounts that meet Administration's criteria for prior year tax cancellation. This report also includes the applicable 2017 municipal property taxes for non-profit organizations that applied and qualified for tax cancellations under the *Non-Profit Tax Mitigation Policy*.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommend that Council, under the authority of section 347 of the *Municipal Government Act*:

1. Cancel property and business taxes for the amounts listed in the Attachment 1;
2. Cancel 2017 municipal property taxes for the qualifying non-profit organizations for the amounts listed in Attachment 2; and
3. That Report PFC2018-0158 be forwarded to the May 28, 2018 Meeting of Council.

PREVIOUS COUNCIL DIRECTION / POLICY

This report is presented to Council twice annually and Council typically accepts Administration's recommendations; the most recent report was presented at the 2017 December 18 Regular Meeting of Council.

BACKGROUND

In certain circumstances, Administration will recommend that Council considers exercising its discretionary taxation power under section 347 of the *Municipal Government Act* (MGA) in regards to cancelling taxes that correspond to property or business assessment rolls of prior tax years.

Further, section 203 of the MGA specifies that Council may not delegate its powers with respect to taxes, including its authority to cancel, reduce or refund prior year property and business taxes. The recently approved *City of Calgary Charter, 2018* will allow Council to delegate this authority through a bylaw as long as the total amount to be cancelled, refunded or deferred in a taxation year does not exceed \$500,000 in a calendar year.

Tax Cancellations Related to Prior Years' Assessment Rolls

Section 305 of the MGA and section 7(a) of Business Tax Bylaw 1M2018 allows corrections or amendments to property and business assessment rolls during the current tax year. A current year amendment to an individual assessment on either assessment roll triggers a corresponding adjustment to the current year property or business taxes for that account.

Property and business owners are reminded annually through various communication methods that they have a responsibility to inform the municipality of assessment errors or changes to their property or business in a timely manner. This allows Administration to make the relevant changes to the business or property assessment accounts within the current taxation year.

Assessment and Tax Circumstances Report

Administration does not have the ability to alter property or business assessment rolls of prior years.

Inaccuracies in assessment rolls may result from a number of factors, including but not limited to: operational considerations associated with year-end assessment roll production, timing of communication between business units, incorrect data or mailing address information.

Generally, valid cancellation requests are for tax amounts that were levied as a result of the following circumstances:

- an incorrect issuance of a property or business assessment
- a property or business assessment that was not corrected appropriately
- a tax exemption that was not processed or not processed correctly
- a business account closure or move that was not processed or not processed correctly

The inaccuracy must be reported within two years after the inaccuracy occurred for the tax cancellation request to be considered for inclusion in this report.

Exempt Organizations and the *Non-Profit Tax Mitigation Policy*

The *Non-Profit Tax Mitigation Policy* adopted by Council through C2014-0919 provides criteria for circumstances in which Administration may recommend Council to cancel municipal taxes that correspond to a period when an eligible non-profit property was under construction.

Property tax exemptions are governed by the MGA and the *Community Organization Property Tax Exemption Regulation* (COPTER). Provisions in the legislation differ based on the use of the property and the nature of the organization that holds it. One of these differences is the tax treatment of non-profit-held property that is not in use because of construction or renovation. Property held by specific entities such as public institutions (e.g. hospitals, public colleges and universities) is exempt from property tax when it is under construction. Property that is held by non-profit organizations to be used for an approved activity (e.g. places of worship, chambers of commerce, food banks, and under certain conditions, arts and cultural activities) is not property tax exempt until it is actually in use for these purposes.

Organizations must attain property tax exemption for the property under the provincial legislation to be considered for municipal property tax cancellation under the *Non-Profit Tax Mitigation Policy*. Until the property is completed and occupied, and being used for the exempt purpose, applicants pay municipal and provincial property taxes. Once the *Policy* criteria are met, up to four years of the municipal taxes paid over the construction period are subject to retroactive cancellation.

For administrative efficiency and timeliness, the *Policy* has been implemented using the Assessment and Tax Circumstances Report as the mechanism.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Tax Cancellations Related to Prior Years' Assessment Rolls

Property and business owners are encouraged each year to review and, if needed, ask questions about their property and/or business assessments before the end of the 60-day Customer Review Period that follows each assessment notice mailing. By reporting assessment

Assessment and Tax Circumstances Report

errors or changes within the Customer Review Period, allows Administration to use its authority under MGA section 305 to amend the assessment roll for the current year.

Assessment sometimes receives requests for the cancellation of taxes from prior tax years; these may come directly from taxpayers or from other City business units. The investigation of each request can include researching internal communications and records, speaking directly to the affected taxpayer and working with other relevant City staff.

Administration uses the following criteria to determine if the circumstances and corresponding property or business tax amounts should be brought forward to Council in this biannual report:

- the inaccuracy was reported within two years of the occurrence; and
- Assessment was advised of the inaccuracy within the Customer Review Period in the year the inaccuracy occurred, but the correction was either not processed or incorrectly processed; or,
- the taxpayer was not aware and/or was not notified of the change in assessment and was unable to bring the inaccuracy to the assessor's attention within the Customer Review Period; or,
- the property or business assessment account was set up in error, and the assessment notice was sent to the wrong party; or,
- another City department(s) was notified by the taxpayer of a change to the business and Assessment was not notified during the applicable taxation year.

The recommended adjustments to business tax accounts in this report would cancel or reduce municipal business taxes, and Business Improvement Areas (BIA) levies where applicable. The levies are distributed to BIAs in January each year and adjustments are made in the following year if there are increases or decreases.

The recommended adjustments to the property tax accounts due to assessment roll corrections would cancel or reduce both the municipal and provincial property taxes. Upon cancellation, the provincial portion of the property tax is a cost to The City because the provincial government does not refund its portion.

The funds for both business tax and property tax cancellations are available through The City's prior years' tax cancellation budget, should Council decide to support the recommendation for tax cancellations included in this report. If Council chooses not to support the recommendation, the tax liabilities and amounts owed will remain as originally billed.

Individual requests for prior years' tax cancellation that met Administration's criteria are listed in Attachment 1.

Tax Cancellations Related to the *Non-Profit Tax Mitigation Policy*

To assist non-profit organizations in applying for tax-relief under the *Non-Profit Tax Mitigation Policy*, Administration provides information about the *Policy*, how to qualify and the application process on Calgary.ca, via email and by phone year-round.

Requests for the cancellation of municipal taxes related to exemptible property held during periods of construction come from non-profit organizations on an ongoing basis.

Assessment and Tax Circumstances Report

The *Policy* ensures that tax cancellations for properties and/or facilities that are under construction are conducted in an equitable and consistent manner through an open and transparent process. It uses the following criteria to determine if the circumstances and corresponding municipal property tax amounts should be brought forward to Council:

- a building permit for the site was issued after 2013 January 01, the date established in the *Policy*, and
- the organization has filed the necessary application form to request tax cancellation under the *Non-Profit Tax Mitigation Policy* to Assessment, and
- the property and/or facility construction has been completed, and
- the property and/or facility is occupied by the organization and is being used for an exemptible purpose, and
- upon completion and occupancy, the organization has filed an application for property tax exemption under the MGA or COPTER to Assessment and the application has been approved.

The non-profit organization must meet all of the above criteria in order to qualify for a municipal tax cancellation under the *Policy*.

The value of the cancellation amount is based on municipal tax levied during the eligible period the property was under construction and is retroactive to the organization attaining property tax exemption under provincial legislation. The eligible period begins the year that the required application is submitted to Assessment. If the application is submitted in the same year that the building permit is issued, the eligible period begins as of the date the permit is issued. If the application is submitted in a year subsequent to the issuance of the building permit, the eligible period begins on January 01 of that year. The period ends either four years from the date that the eligible period begins or when the property becomes exempt from taxation, whichever is earlier.

At the time this report was prepared, five non-profit organizations have met the criteria for municipal property tax cancellation under the *Policy*. Applicants that meet all requirements will be brought forward to Council for tax cancellation consideration on future reports.

The recommended adjustment due to the *Non-Profit Tax Mitigation Policy* would cancel or reduce only the municipal property taxes in that organization's account. If Council chooses not to support the recommendation, the tax liabilities and amounts paid will remain as originally billed.

The individual tax amount cancelled for the qualifying *Non-Profit Tax Mitigation* applicants is listed in Attachment 2.

Stakeholder Engagement, Research and Communication

This report is a collaborative effort between Assessment, Business Registry, and Finance. Throughout the circumstance report process, the business units are in communication, ensuring appropriate investigation and analyses are conducted for an accurate reflection of the tax cancellations proposed.

**Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0158
Page 5 of 6**

Assessment and Tax Circumstances Report

Taxpayers and non-profits are contacted by City staff subsequent to their initial inquiry if additional information is needed to establish whether individual circumstances meet the tax cancellation criteria.

For tax cancellation requests related to prior years' assessment rolls, Assessment advises property or business owners listed in Attachment 1 if their requests are included in the report. A second letter advises them of Council's decision.

For tax cancellations related to the *Non-Profit Tax Mitigation Policy*, non-profits are advised of eligibility during the application or circumstance report process and those listed in Attachment 2 will be advised of Council's decision.

The accounts of approved tax cancellations are then adjusted by Finance and a refund is issued when necessary.

Strategic Alignment

The recommendations are in alignment with *Action Plan 2015-2018* and with the *Non-Profit Property Tax Mitigation Policy*.

Social, Environmental, Economic (External)

The taxpayers who own or hold the properties and businesses listed in Attachments 1 and 2 will receive tax cancellations or refunds.

Financial Capacity

Current and Future Operating Budget:

The total taxes recommended for cancellation are \$588,757.17. Finance has confirmed that there are sufficient funds to accommodate the tax cancellations for the accounts proposed in Attachment 1 and 2. The total budget for the prior years' property and business tax cancellations in 2018 is \$1,000,000. The total budget for municipal tax cancellations proposed in Attachment 2 under the *Non-Profit Tax Mitigation Policy* is an additional \$1,000,000. At this time, no adjustments to future budget allocations are required to meet the tax cancellation requests set out in this report.

<i>Type of Tax</i>	<i>2018 Tax Cancellations (This Report)</i>
Property Tax - Non-NPTM Related	\$465,189.20
Business Tax	\$14,359.37
Property Tax - NPTM Related	\$109,208.60
Total	\$588,757.17

Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01

ISC: UNRESTRICTED
PFC2018-0158
Page 6 of 6

Assessment and Tax Circumstances Report

Current and Future Capital Budget:

There are no implications to the capital budget

Risk Assessment

No implications were identified.

REASON(S) FOR RECOMMENDATION(S):

Administration is prevented by legislative constraints from (1) making corrections to tax accounts relating to prior years' assessment and tax rolls, and (2) providing tax exemptions to otherwise eligible non-profit organizations whose properties are under construction. The accounts brought forward to Council were identified using the criteria within this report. The tax liabilities and amounts owed will remain as originally billed without Council approval.

ATTACHMENT(S)

1. List of Tax Cancellations Related to Prior Years Assessment Rolls
2. List of Tax Cancellations Related to the Non-Profit Tax Mitigation Policy

List of Tax Cancellations Related to Prior Years Assessment Rolls

PFC2018-0158
ATTACHMENT 1

Issue #	Roll Number	Account Address	Tax Cancellation	Reasons
<u>PROPERTY TAX CANCELLATION</u>				
2015				
1	090027905	3607 1 Street SW	\$575.44	The City was advised of an inaccuracy to a property assessment, but the correction was not processed.
2016				
2	200853513	4016 16A Street SE	\$1,484.67	The change to the tax status was not processed when the property owner informed The City in 2016.
3	112003408	134 Forge Road SE	\$9,803.26	The property tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
4	075980326	2106 50 Street SE	\$119.28	The City was advised of the change to the manufactured home property, however the change was not processed correctly
5	090027905	3607 1 Street SW	\$1,419.97	The City was advised of an inaccuracy to a property assessment, but the correction was not processed.
2017				
6	060520509	3412 Parkdale Boulevard NW	\$2,922.11	The property tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
7	060520806	3412 Parkdale Boulevard NW	\$2,954.61	The property tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.

List of Tax Cancellations Related to Prior Years Assessment Rolls

PFC2018-0158
ATTACHMENT 1

Issue #	Roll Number	Account Address	Tax Cancellation	Reasons
8	202497137	2424 University Drive NW	\$3,795.57	The property taxes were not pro-rated for the correct number of days.
9	200676377	6807 Railway Street SE	\$410.75	The property tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
10	202033346	10 Redstone Place NE	\$209,853.56	The property tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
11	122981368	9200 Blackfoot Trail SE	\$42.39	The manufactured home move was not processed when The City was notified in 2017.
12	122981640	9200 Blackfoot Trail SE	\$51.59	The manufacture home move was not processed when The City was notified in 2017.
13	902007301	5000 McCall Way NE	\$12,687.32	The City was informed of the lease termination. However, the information was not provided to the appropriate business unit.
14	123187692	180 94 Avenue SE	\$28,116.04	The property tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
15	068036706	138 4 Avenue SE	\$3,148.79	The change to the property tax exempt area was not processed when the non-profit organization informed The City in 2017.
16	047983580	954 16 Avenue NE	\$32.57	The City was informed of the manufactured home move. However, the information did not get to the appropriate business unit.

List of Tax Cancellations Related to Prior Years Assessment Rolls

PFC2018-0158
ATTACHMENT 1

Issue #	Roll Number	Account Address	Tax Cancellation	Reasons
17	122982481	9200 Blackfoot Trail SE	\$4.70	The manufacture home move was not processed when The City was notified in 2017.
18	047982582	954 16 AVE NE	\$52.86	The City was informed of the manufactured home move. However, the information did not get to the appropriate business unit.
19	202428017	2003 McKnight Boulevard NE	\$7,568.03	The City was advised of an inaccuracy to a property assessment, but the correction was not processed.
20	122982325	9200 Blackfoot Trail SE	\$66.78	The manufacture home move was not processed when The City was notified in 2017.
21	201561388	6220 17 Avenue SE	\$178.77	The change in ownership for the manufactured home was not processed correctly.
22	037181013	3520 Research Way NW	\$164,075.86	The change to the property tax exempt area was not processed when the non-profit organization informed The City in 2017.
23	059062802	1207 20A Street NW	\$273.03	The City was advised of an inaccuracy to a property assessment, but the correction was not processed.
24	201450566	9200 Blackfoot Trail SE	\$6.05	The manufacture home move was not processed when The City was notified late in 2017.
25	075980326	2106 50 Street SE	\$100.31	The City was advised of the change to the manufactured home property, but it was not processed correctly.
26	122982705	9200 Blackfoot Trail SE	\$18.98	The manufacture home demolition was not processed when The City was notified late in 2017.
27	047983184	1954 16 Avenue NE	\$49.87	The City was informed of the manufactured home move. However, the information was

List of Tax Cancellations Related to Prior Years Assessment Rolls

Issue #	Roll Number	Account Address	Tax Cancellation	Reasons
				not provided to the appropriate business unit.
28	067059402	910 7 Avenue SW	\$2,304.86	The change to the property tax exempt area was not processed when the non-profit organization informed The City in 2017.
29	162049613	9609R 1 Avenue SW	\$204.06	The Province informed The City of a change to their property late in 2017 and it was not processed due to operational considerations associated with the year-end assessment roll production.
30	162049803	9717 1 Avenue SW	\$1,206.63	The Province informed The City of a change to their property late in 2017 and it was not be processed due to operational considerations associated with the year-end assessment roll production.
31	174982983	99 Arbour Lake Road NW	\$64.06	The City was informed of a manufactured home move. It was not processed due to operational considerations associated with the year-end assessment roll production.
32	075078501	3703 17 Avenue SE	\$8,978.23	The property tax exemption was not processed when the appropriate business unit was advised of The City of Calgary purchase.
33	202485330	7000 Railway Street SE	\$2,618.21	The property tax exemption review was completed late in the year and the exemption was not processed due to operational considerations associated with the year-end assessment roll production.
			\$465,189.20	Total Property Tax Cancellation

Issue #	Business Identifier	Account Address	Tax Cancellation	Reasons
<u>BUSINESS TAX CANCELLATIONS</u>				
2017				
34	13858865	3625 Shaganappi Trail NW	\$106.14	The business move was processed when The City was informed in 2017.
35	12599312	1501 17 Avenue SW	\$502.38	The City was notified of the business closure late in the year and it was processed due to operational considerations associated with the year-end assessment roll production.
36	12753265	1501 17 Avenue SW	\$386.76	The City was notified of the business closure late in the year and was not processed due to operational considerations associated with the year-end assessment roll production.
37	14661813	301 14 Street NW	\$137.52	The business tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
38	13806658	615 Macleod Trail SE	\$481.85	The business tax exemption was not processed due to operational considerations associated with the year-end assessment roll production.
39	14081566	208 Woodpark Bay SW	\$696.91	The business moved was not processed when The City was informed in 2017.
40	14045918	319 10 Avenue SW	\$182.61	The City was notified of the business closure late in the year and was not processed due to operational considerations associated with the year-end assessment roll production.
41	14598429	4116 17 Street SE	\$294.87	The assessment area was not corrected when the business informed The City of the error in 2017.

List of Tax Cancellations Related to Prior Years Assessment Rolls

Issue #	Business Identifier	Account Address	Tax Cancellation	Reasons
42	12410791	1212 31 Avenue NE	\$573.65	The business tax exemption was not processed and a business assessment was sent out in error.
43	13690953	1001 1 Street SE	\$4,546.08	The City was notified of the business closure late in the year and was not processed due to operational considerations associated with the year-end assessment roll production.
44	13899315	115 10 Avenue SE	\$1,316.70	The City was notified of the business closure late in the year and was not processed due to operational considerations associated with the year-end assessment roll production.
45	14641492	2915 21 Street NE	\$49.74	The 2017 supplementary business assessment was issued with the incorrect number of months.
46	443283	2915 21 Street NE	\$339.05	The City was notified of the business closure late in the year and was not processed due to operational considerations associated with the year-end assessment roll production.
47	14715981	4415 58 Avenue SE	\$125.11	The City was notified of the business closure late in the year and was not processed due to operational considerations associated with the year-end assessment roll production.
48	800128	830 10 Avenue SW	\$4,620.00	The business closure could not be processed due to an Assessment Review Board Complaint.
			\$14,359.37	Total Business Tax Cancellation

List of Tax Cancellations Related to the Non-Profit Tax Mitigation Policy

Issue	Roll Number	Account Address	Tax Cancellation (\$)	Reason
1	201286598	12024 Sarcee Trail NW	\$20,616.71	<p>The municipal tax cancellation is for Goodwill Industries of Alberta, which meets the criteria for property tax exemption under COPTER s. 15(h), a facility used as a thrift store.</p> <p>The cancellation is from the date the building permit was issued, February 2, 2017, to the date the property tax exemption started, May 1, 2017.</p>
2	202354890	1129 23 Avenue NW	\$3,862.10	<p>The municipal tax cancellation is for The Accessible Housing Society, which meets the criteria for property tax exemption under MGA s. 362(1)(n)(iii)(B), property used for charitable or benevolent purpose owned by a non-profit organization.</p> <p>The cancellation is from the date the building permit was issued, March 29, 2017, to the date the property tax exemption started, December 1, 2017.</p>
3	071131619	2840 2 Avenue SE	\$60,007.84	<p>The municipal tax cancellation is for The Alexandra Community Health Centre, which meets the criteria for property tax exemption under COPTER s. 15(k), facility used for charitable or benevolent purpose that is for the benefit of the general public</p> <p>The cancellation is from the date the building permit was issued, March 1, 2017, to the date the property tax exemption started, June 1, 2017.</p>

List of Tax Cancellations Related to the Non-Profit Tax Mitigation Policy

Issue	Roll Number	Account Address	Tax Cancellation (\$)	Reason
4	201344660	111 Exploration Avenue SE	\$21,581.60	<p>The municipal tax cancellation is for The Calgary Foothills Soccer Club, which meets the criteria for property tax exemption under MGA s. 362(1)(n)(ii), property held by a non-profit and used solely for community games, sports, athletics, or recreation for the benefit of the general public.</p> <p>The cancellation is from January 1, 2017, to the date the property tax exemption started, July 15, 2017.</p>
5	201024585	10905 48 Street SE	\$3,140,35	<p>The municipal tax cancellation is for The Altadore Gymnastic Club, which meets the criteria for property tax exemption under MGA s. 362(1)(n)(ii), property held by a non-profit and used solely for community games, sports, athletics, or recreation for the benefit of the general public.</p> <p>The cancellation is from the date the building permit was issued, June 9, 2017, to the date the property tax exemption started, July 1, 2017.</p>
			\$109,208.60	Total NPTM Municipal Tax Cancellation

**Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0190
Page 1 of 7**

Business Tax Consolidation- 2018 Annual Status Report

EXECUTIVE SUMMARY

Since 2013, The City of Calgary has been implementing a seven-year plan to incrementally consolidate its business tax revenues with the non-residential property tax. Council directed Administration to provide an annual update, through the Priorities and Finance Committee (PFC), on the progress of Business Tax Consolidation (BTC) until the consolidation is complete in 2019. This 2018 update concludes that BTC is proceeding as planned through a cumulative 80 per cent transfer of business tax revenues to the non-residential property tax since 2013, representing a cumulative 16 per cent increase to the 2018 non-residential property tax rate.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommend that Council:

1. Receive this report for information; and
2. Direct Administration to bring:
 - (a) A 2019 status update report to the Priorities and Finance Committee in 2019 May; and
 - (b) A final report on Business Tax Consolidation (BTC) to the Priorities and Finance Committee in 2019 July.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 May 29 through PFC2017-0308 *Business Tax Consolidation – 2017 Annual Status Report*, Council received for information the 2017 annual update and directed Administration to bring the 2018 annual report on Business Tax Consolidation to the Priorities and Finance Committee in May 2018.

On 2016 June 13 through C2016-0455 *Business Tax Consolidation – 2016 Annual Status Report*, Council received for information the 2016 annual update and directed Administration to bring the 2017 annual report on Business Tax Consolidation to the Priorities and Finance Committee in May 2017.

On 2015 June 15 through PFC2015-0432 *Business Tax Consolidation – 2015 Annual Status Report*, Council received for information the 2015 annual update, approved 2014 and 2015 property tax refunds to eligible non-profit organizations under the Limited Benefit Non-Profit Tax Mitigation Program and directed Administration to bring the 2016 annual report on Business Tax Consolidation to the Priorities and Finance Committee in May 2016.

On 2014 April 26 through PFC2014-0217 *Business Tax Consolidation – 2014 Annual Status Report*, Council received for information the 2014 annual update and directed Administration to (1) bring a report in May 2014 recommending Council approval of tax refunds under the Limited Benefit Tax Mitigation Program; and, (2) for the following year, bring the annual report on Business Tax Consolidation in May 2015.

On 2012 April 09 through PFC2012-35 *Business Tax Consolidation Framework and Associated Plans*, Council approved the consolidation of business tax revenues into the non-residential property tax by adopting recommendation 4(b) of the report. All of the recommendations adopted by Council in consideration of PFC2012-35 are presented below.

Business Tax Consolidation- 2018 Annual Status Report

“That the Priorities and Finance Committee recommend that Council:

1. Consolidate business tax revenues into the non-residential property tax, based on the following schedule for the incremental transfer of budgeted 2013 business tax revenues, adjusted for physical growth and contingency amounts in future years, to the non-residential property tax:
 - (a) zero per cent in 2013,
 - (b) 10 per cent in each of the years 2014 - 2015, and
 - (c) 20 per cent in each of the years 2016 - 2019,
 with the business tax, for business tax revenue purposes, eliminated in 2019.
2. Approve the following supplementary directions and policies, applicable both during and after the consolidation process unless otherwise stated:
 - (a) the effect of Council's zero per cent business tax rate increase policy would continue to apply to the business tax amount transferred to the non-residential property tax;
 - (b) a machinery and equipment property tax exemption bylaw will continue to be passed annually, applying to all Calgary machinery and equipment property, except for property subject to annexation agreements and Orders in Council;
 - (c) for the purposes of continuity in, and certainty to, Business Revitalization Zone financing:
 - i. in consultation with Business Revitalization Zone stakeholders, advocate to the provincial government for a suitable financing alternative than the current business assessment and business revitalization zone levy process; and,
 - ii. the business assessment and business revitalization zone levy process continue until such time as a suitable business revitalization zone financing alternative is established.
 - (d) Council's decision regarding business tax consolidation be communicated, by way of letters from the Mayor to the provincial and federal governments and railway company that are subject to the payment of grants in lieu of the non-residential property tax in Calgary, with the letter including Council's expectation that grants in lieu of property tax be paid at 100 per cent of the property tax rate; and, for the provincial government, that the letter also express Council's intention to advocate for a suitable financing alternative to the business assessment and business revitalization zone levy process.
 - (e) for the properties, or portions thereof, occupied by non-profit organizations, and listed in Attachment 5, the effect of a zero per cent transfer of business tax to the non-residential property tax will be continued and applied for the 2014 and 2015 years; this to be implemented by way of a property tax refund, approved by Council through the annual status report referenced in recommendation #4.
3. Direct Administration to undertake the:
 - (a) implementation plan in Attachment 2; and,
 - (b) communications plan in Attachment 3.

**Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0190
Page 3 of 7**

Business Tax Consolidation- 2018 Annual Status Report

4. Direct Administration to provide the following consolidation reports to Council, through the Priorities and Finance Committee:
 - (a) an implementation readiness report in 2012 September;
 - (b) annual status reports, including any business tax consolidation related budget implications, by no later than April in each of the 2013-2019 years; and,
 - (c) a final report by no later than 2019 July.

BACKGROUND

Following Administration's consultation and communication with stakeholders, Council approved PFC2012-35 to incrementally transfer business tax revenues to the non-residential property tax over the period of 2013 to 2019. Administration is to provide annual status reports to Council, including any potential issues or changes to ensure BTC proceeds as planned.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

For the 2018 tax year, Administration has transferred 20 per cent of business tax revenues to the non-residential property tax, resulting in a 3.6 per cent increase to the 2018 non-residential property tax rate. Since 2013, 80 per cent (cumulative) of business tax revenues has been transferred to the non-residential property tax through BTC, resulting in a cumulative 16 per cent increase to the non-residential tax rate.

To deliver the status report requirements and to ensure Council has a complete understanding of the BTC process, the analysis is grouped by the five Council directions under PFC2012-35.

Council Direction 1: Recommendation to consolidate

As per the annual transfers approved in PFC2012-35 (table below), the 2018 tax year has a 20 per cent incremental transfer of business tax to non-residential property tax. Before consolidation, the 2018 business tax revenue, including allowance for tribunal losses and estimated net growth, amounted to \$88.7 million. For 2018, after the incremental 20 per cent transfer, business tax revenue amounted to \$44.4 million.

BUSINESS TAX TRANSFER TO NON-RESIDENTIAL PROPERTY TAX		
Year	Incremental Transfer (%)	Cumulative Transfer (%)
2013	0	0
2014	10	10
2015	10	20
2016	20	40
2017	20	60
2018	20	80
2019	20	100
The business tax will be eliminated in 2019.		

Business Tax Consolidation- 2018 Annual Status Report

As the non-residential property tax is the base for The City's Rivers District Community Revitalization Levy (CRL), there is an annual increase to the CRL revenue from BTC transfers until the CRL expires in 2027; with a corresponding decrease in property tax for City operating budget purposes given that CRL revenues are transferred to the Calgary Municipal Land Corporation (CMLC), the wholly owned subsidiary of The City responsible for the implementation of the Rivers District Community Revitalization. Adjustments are made annually that result in no new funds, maintain compliance with the CRL regulation, and keeps The City's operating budget whole.

Council Direction 2: Supplementary directions and policies

Zero per cent business tax rate increase policy

Council's zero per cent business tax rate increase policy was continued in 2018 and applied to the 2018 business tax rate. The policy applies both to the business tax rate and the portion of the non-residential property tax rate that is associated with consolidation (i.e. all business tax revenues consolidated into the non-residential property tax).

Business Improvement Area (BIA) Financing

BIA tax revenue is currently collected through the business assessment process. Administration will continue collecting BIA levies through this process until a suitable alternative is provided by the Government of Alberta (GoA) under proposed BIA legislation. Progress towards legislative amendments has been underway since 2012 and reported in previous BTC Annual Status Reports to Council. Since the last year's report PFC2017-0308, progress has been as follows.

- i. On 2017 April 24, in response to Council direction in NM2016-33, Council received for information PFC2017-0291 *Alternatives for the Collection of the Business Improvement Area Levy* which detailed operational alternatives available to Administration to facilitate BIA communications with its business constituency, even if the BIA tax is levied to through the non-residential property tax.
- ii. On 2017 June 17, the GoA passed the *Act to Strengthen Municipal Government*, SA 2017, c.13 (formerly Bill 8). This Act amends the BIA provisions in the MGA and will require corresponding amendments to the *BIA Regulation*. However, these amendments have not yet been proclaimed and, therefore, are not yet in force.
- iii. The GoA has expressed its intention to amend the *BIA Regulation* and to provide a draft of the proposed Regulation for public feedback. Administration will verbally update the Priorities and Finance Committee and Council at the respective meetings at which this report is presented.
- iv. On 2017 July 05, through CPS2017-0530, Council approved the deferral of the BIA's Annual Report to 2018 Quarter 3. The deferral was requested in part due to anticipation that upcoming amendments may impact the legislative framework that governs the relationship between the BIAs and The City and may necessitate changes to their collective Business Plan and allow for considerations of the most current BIA legislation to be incorporated.
- v. As of March 2018, at the time of writing this report, the amendments to the BIA provisions in the MGA contained in *An Act To Strengthen Municipal Government* have not been proclaimed in force. The unproclaimed section allows "Council to impose a tax on property or businesses, but not both, within the business improvement area"

Business Tax Consolidation- 2018 Annual Status Report

- vi. Capital expenditures would be required to maintain current business tax software past 2019; which the Information Technology business unit estimated in 2012, when BTC was approved, to be in the range of \$2.5 million. With BTC approved and BTC implementation underway, Administration has not included business assessment processes within new technology system development. In accordance with the BIA legislative progress since 2012, Administration will recommend to Council, after BTC is complete in 2019 and the requisite BIA legislation is passed, that The City administer BIA levies through a tax on non-residential properties.

Grants-in-lieu of taxes

Administration confirms that the provincial and federal governments, as well as Canadian Pacific Railway, paid 2017 grants-in-lieu of both property and business taxes at 100 per cent of the expected amounts in relation to BTC-related tax levy shifts. Administration expects these grants will continue to be paid annually at the same 100 per cent rate in 2018; to which Council is to be notified through the BTC status report in 2019.

Council Direction 3: Plans associated with consolidation

Implementation Plan

Consistent with the implementation plan in Report PFC2012-35 the following actions have been taken since the last annual status report (PFC2017-0308) in May 2017.

- On 2018 January 05, the 2018 non-residential and business assessment notices were mailed and information on the progress and status of BTC was included in an insert with these notices.
- On 2018 January 22, Council passed the *Business Tax Rate Bylaw 7M2018* with a rate based on a 80 per cent cumulative transfer of business tax revenues to the non-residential property tax.
- On 2018 January 22, Council passed the annual *Business Improvement Areas Tax Bylaw 5M2018* and the *Business Improvement Areas Tax Rates Bylaw 6M2018*.
- On 2018 February 09, business tax notices with levies set by Bylaw 7M2018 were mailed.
- On 2018 April 5, Council passed the *2018 Property Tax Bylaw 17M2018* with the non-residential property tax rate reflecting a cumulative 16 per cent increase.
- The last item in the 2018 cycle is the mailing of property tax notices in May 2018.
- 2018 is the last year this same cycle of bylaws will occur. From the 2019 tax year forward, The City will no longer pass a business tax bylaw or a business tax rate bylaw. However, the cycle of annual BIA enabling bylaws and property tax related bylaws will continue.

Communications Plan

Consistent with the PFC2012-35 BTC communications plan, the following actions have been taken since the last annual status report (PFC2017-0308).

2017

- From October 03 - November 03, Assessment held its 2018 Advance Consultation Period where non-residential and business owners could inquire about, and understand, the impact of the 2018 BTC transfer.

**Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0190
Page 6 of 7**

Business Tax Consolidation- 2018 Annual Status Report

2018

- An insert informing non-residential property and business owners of the 2018 incremental business tax transfer and its impact on their property and business taxes was included with the non-residential property and business assessment notices sent on January 05 (Attachment 1).
- BTC related questions were, and will continue to be, answered year-round by knowledgeable assessment staff through Assessment's customer inquiry service, including during the annual Customer Review Period (CRP) for the 67 days following the mailing of annual assessment notices in January.
- The BTC website <http://calgary.ca/btc> was updated with the latest information once Property Tax Bylaw 17M2018 was passed on April 05
- The online BTC calculator, which helps non-residential property and business taxpayers see the effects of consolidation, was updated on calgary.ca to reflect 2018 business and property tax rates.

Council Direction 4: Reporting back to Council

a) Implementation Readiness Report

Business Tax Consolidation – Implementation Readiness Report (PFC2012-0499) was received for information on 2012 September 24.

b) Annual Status Report

Council directed Administration to provide annual status reporting through the Priorities and Finance Committee for 2013 to 2019. Annual update reports were received by Council in 2013, 2014, 2015, 2016 and 2017. This report is the 2018 update to Council.

c) Final Report

A final report will be submitted through the Priorities and Finance Committee in July 2019.

Council Direction 5: Tax mitigation for limited benefit non-profit organizations (LBNP)

The LBNP tax mitigation program approved through report PFC2012-0139 saw eligible non-profit organizations receiving property tax refunds in the 2014 and 2015 taxation years of BTC. The intention of the LBNP program was to provide the LBNPs with tax relief, for a 3-year transitory adjustment period, where the refunds were equal to the annual property tax increase to their business premises associated with the BTC tax transfer. These refunds were approved through PFC2014-0289 and PFC2015-0432, following which the LBNP tax mitigation ended.

Stakeholder Engagement, Research and Communication

Administration has continued to keep taxpayers informed of the BTC process through inserts included with non-residential property and business assessment notices (Attachment 1). In addition, Assessment maintains a year-round customer inquiry service to answer assessment and BTC related questions. As of the last Annual Status Report PFC2017-0308, two customers have inquired about the mechanics of consolidation and how the initiative will impact them.

Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01

ISC: UNRESTRICTED
PFC2018-0190
Page 7 of 7

Business Tax Consolidation- 2018 Annual Status Report

Strategic Alignment

Continuing with BTC aligns with Council's *Action Plan 2015-2018* priority to "cut red tape and continue to foster a competitive tax environment to help small business succeed" as well as its performance target to have 80 per cent of business tax revenue consolidated into non-residential property tax by 2018.

Social, Environmental, Economic (External)

Social

There are no social impacts in addition to those identified in PFC2012-35.

Environmental

No environmental impacts have been identified.

Economic

Moving from a dual to a single tax environment enhances Calgary's economic competitiveness and attractiveness for business investment into the city.

Financial Capacity

Current and Future Operating Budget:

BTC is revenue neutral to The City

Current and Future Capital Budget:

No impacts have been identified.

Risk Assessment

Last year's status report PFC2017-0308 identified a potential risk to The City's data regarding businesses operating in Calgary. Further to PFC2017-0308, Administration has identified a solution using the current process administered by Assessment to collect tenant lists from building owners for non-residential property taxation purposes, coupled with, the focusing of Business Licence resources (e.g. inspectors) to obtain information about business operators located on properties where owners did not voluntarily engage in Assessment's tenant list process. This solution will be implemented for 2019 forward. Administration will monitor the impacts on existing resources and may consider increasing inspector resources as required.

This solution will effectively apply Administration processes already in place to achieve a relatively complete, and statistically relevant, annual snapshot of Calgary's business landscape, even after business tax related processes cease in 2019.

REASON(S) FOR RECOMMENDATION(S):

The implementation of business tax consolidation is proceeding as planned.
--

ATTACHMENT(S)

1. BTC Insert to 2018 Property and Business Assessment Notices



Business Tax Consolidation



Understanding the business tax consolidation process.

The City is phasing out the business tax through a gradual transfer of the business tax revenues to the non-residential property tax. Each year, business tax bills will go down and non-residential property taxes will increase. The business tax will be eliminated in 2019.

Learn more at calgary.ca/btc

Consolidating the taxes into a single, easy to understand real estate-based assessment and tax system for non-residential property owners will make Calgary more competitive and attractive for business.

Business tax consolidation will not impact your property/business assessment nor will it be reflected on your assessment notice. It will not increase the amount of revenues collected by The City.

2018 tax impacts

Business owners will see an approximate 20 per cent decrease in the 2018 business tax rate. The tax change effects from business tax consolidation will be reflected in the taxes owing – meaning your business tax bill will decrease. The City will mail the 2018 business tax bills in February.

Non-residential property owners will see an estimated additional 4.6 per cent increase in their 2018 non-residential property tax rate. The tax change effects from business tax consolidation will be reflected in the taxes owing – meaning your property tax bill will increase. The City will mail the 2018 property tax bills at the end of May.

Annual tax implications will vary based on changes to property/premises details, annual re-assessment shifts and annual Council or provincial tax rate adjustments. The provincial portion of the tax rate isn't announced until spring.

This will be the last year in which business assessments are mailed. In 2019, the full amount of business tax will be fully transferred to property tax.

Where can I find more information?

A variety of tools and resources are available at **calgary.ca/btc** or call **403-268-2888**.

Rate Change for the Community Aggregate Payment (CAP) Levy

EXECUTIVE SUMMARY

Since 2008, the City of Calgary has collected a levy from the companies that mine and ship sand and gravel, known as aggregate, within city boundaries. This is known as a Community Aggregate Payment (CAP) Levy. The levy was created to offset some of the repair and maintenance costs of the road surface along the primary routes that aggregates are hauled. The weight of these vehicles prematurely wears down sections of the road, which can affect travel quality. The amount of the CAP Levy was set at \$0.25 per tonne of aggregate shipped, which was the maximum rate allowed by Provincial regulation. The rate has not changed since 2008.

The levy revenue has been spent on road projects that benefit both the residents and businesses that are near the gravel production sites in NW Calgary. This includes surface paving and repairs on roads such as Centre Street North and Symons Valley Parkway NW, intersection upgrades at Country Hills BV and 112 AV NW, as well as frequent street sweeping to pick up loose gravel along the primary haul routes.

The Province recently raised the maximum levy rate that municipalities may charge to \$0.40 per tonne of sand and gravel. Administration recommends that The City increase the CAP Levy rate to \$0.40 per tonne, by amending Bylaw 50M2007. This would allow for the continued investment into road repair and rehabilitation projects, while enabling construction to begin sooner on an intersection improvement project at 85 ST NW. The aggregate producers in Calgary are aware of the recommendation to change the levy rate, and do not oppose the proposed rate increase.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council:

1. Give three readings to the proposed bylaw to amend the Community Aggregate Payment Levy Bylaw 50M2007, by increasing the CAP Levy rate to \$0.40 per tonne, effective 2018 July 1 (Attachment 1).

PREVIOUS COUNCIL DIRECTION / POLICY

At the Combined Meeting of Council on 2007 May 7, Council approved the recommendations in LPT2007-21:

1. Direct Administration to implement a Community Aggregate Payment (CAP) Levy of \$0.25 per tonne of aggregate mined within the city starting January 01, 2008; and
2. Direct Administration to consult with the aggregate producers on suitable methods of collecting the levy.

BACKGROUND

The Alberta Government's Community Aggregate Payment Levy regulation (263/2005) came into effect 2006 January 1. It established the ability for municipalities, upon passing a CAP levy bylaw, to collect a levy from sand and gravel operators to be used toward the payment of infrastructure and other costs in the municipality. The intent was to help offset some of the road repair and maintenance costs that result from gravel trucks carrying heavy loads along sections of roadway. A maximum rate of \$0.25 per tonne of sand and gravel shipments was established.

Rate Change for the Community Aggregate Payment (CAP) Levy

The City of Calgary created a CAP Levy bylaw (50M2007) that went into effect 2008 January 1. All sand and gravel producers in Calgary have been assessed a rate of \$0.25 per tonne of gravel sold, with payment remitted either monthly or annually. The levy is managed by the Roads business unit. Prior to the bylaw approval by Council, meetings were held with stakeholders including representatives from the Alberta Sand and Gravel Association (ASGA) and the Alberta Roadbuilders & Heavy Construction Association (ARHCA).

The Alberta Government recently amended the CAP Levy regulation and increased the maximum levy rate to \$0.40 per tonne of sand and gravel, effective 2018 January 1. Any municipality that wishes to adjust their levy rate must amend their local CAP Levy bylaw and approve a new rate, so long as it does not exceed \$0.40 per tonne.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Most municipalities in Alberta that have gravel mining operations within their boundaries charge an aggregate levy, including the Municipal Districts (MD) of Rockyview, Foothills and Bighorn. Some variations exist on how the levy is collected, but the most common method is an annual charge based on the tonnage produced at each gravel operation.

Revenue

There are several gravel mining operations located in the NW quadrant of the city, north of the communities of Royal Oak and Citadel. The City has collected approximately \$7.6 million in CAP levy fees since 2012, which averages out to an annual contribution of \$1.26 million.

It is important to note that gravel aggregate is a limited, non-renewable resource. The current permitted supply in the NW gravel production sites is estimated to be consumed within 15 to 20 years. CAP Levy revenues will be directly affected by reductions in production as the gravel supplies disappear, eventually resulting in the end of the levy.

Expenditures

Since 2012, approximately \$5.6 million of the levy revenue has been spent on road improvement projects that address concerns from nearby residents:

Repair and Paving	Centre Street North, Symons Valley Parkway NW, Country Hills Boulevard NW and 101 ST SW
Intersection Improvements	Country Hills Boulevard at 112 AV NW
Street Sweeping	Additional weekly sweeping along the primary haul routes of 144 AV, 112 AV and 85 Street NW

\$3 million of existing and future CAP Levy revenue has been committed to the study, design and construction of an improved intersection and road widening at 85 ST and 112 AV NW. A new merge lane and dual left-turn lanes will improve the movement of large trucks through the area, as they access Sarcee Trail to the east. Once completed, this will result in fewer trucks choosing to drive west-bound on 112 AV through the commercial district to access Stoney Trail from Country Hills Boulevard. This would address the concerns of residents from the nearby communities of Royal Oak and Rocky Ridge regarding truck volume, driver behaviour and the resulting traffic congestion at the Country Hills Boulevard intersection.

Rate Change for the Community Aggregate Payment (CAP) Levy

Rate Increase

The proposed increase in the CAP levy to \$0.40 per tonne would generate an additional \$750,000 in revenue per year. This would allow for the continuation of weekly street sweeping in the area and expansion of some road rehabilitation projects, while enabling construction to begin sooner on the 85 ST NW project. In speaking with the industry stakeholders, the increased levy amount is not expected to have a detrimental impact on demand for aggregates.

Stakeholder Engagement, Research and Communication

The City has a CAP Levy Committee that meets semi-annually to discuss potential projects and spending priorities for the previous year's contributions. All aggregate operators within Calgary are members of the committee. The issue of a potential levy rate change has been discussed with the committee since the Province updated the CAP Levy regulations in late 2017.

The proposed levy rate change was reviewed by these stakeholders and they have provided a letter of support from their association, the ASGA (Attachment 3). These operators requested that the change to the levy rate be implemented beginning 2018 July 1. This would allow for a period of transition, as they do have contractual arrangements already in place with their vendors. Administration agrees with this proposed date.

Strategic Alignment

The collection and reinvestment of the CAP Levy revenue into roadway infrastructure supports many objectives from the Calgary Transportation Plan. This includes the pursuit of new sources of revenue to offset the costs of transportation services, and promotes the sound management and preservation of the roadways. The revenue ensures that redevelopment and maintenance projects are completed in a timely manner, which improves the overall condition of the roads that endure high-traffic volume of heavy vehicles, while minimizing the impact on existing budgets for road paving and surface overlay.

Social, Environmental, Economic (External)

The revenue collected from the CAP Levy ensures the haul routes used by the sand and gravel operators are maintained in a cost-effective and financially responsible manner. The quality of the road service and the operation of the intersections around the gravel sites affects residents, businesses, and industry. The CAP Levy funded projects help improve the efficient movement of vehicles in general, which leads to reduced traffic congestion and idle times in this NW area.

Financial Capacity

Current and Future Operating Budget:

The rate change will result in a small increase in CAP Levy contributions from the Roads business unit. This will be absorbed into current and future operating budgets. The revenues raised from the levy are reinvested into roadway repairs or infrastructure improvements on the primary routes used by the sand and gravel operators as intended.

Current and Future Capital Budget:

There are no known impacts to current or future capital budgets.

Transportation Report to
Priorities and Finance Committee
2018 May 01

ISC: UNRESTRICTED
PFC2018-0463
Page 4 of 4

Rate Change for the Community Aggregate Payment (CAP) Levy

Risk Assessment

It is anticipated that most other municipalities and districts in Alberta will increase the CAP Levy rate in their areas to \$0.40 per tonne. The MD of Bighorn has already done so. However, increasing fees or levies for businesses can be met with resistance, particularly when there has not been adequate communication. This potential issue has been addressed through open and on-going dialogue with the sand and gravel operators through the CAP Levy Committee.

REASON(S) FOR RECOMMENDATION(S):

The CAP Levy rate has not increased in 10 years. An increase of the rate to \$0.40 per tonne would raise approximately \$750,000 more per year, which will be reinvested into roadway rehabilitation projects and intersection improvements in the areas that are impacted by gravel hauling vehicles. There are no objections to the rate increase from the aggregate producers of Calgary.

ATTACHMENT(S)

1. Proposed wording for a bylaw to amend Bylaw 50M2007
2. Bylaw 50M2007 (Current)
3. Letter of Support from the Alberta Sand and Gravel Association

**Proposed Wording for a Bylaw to Amend Bylaw 50M2007
the Community Aggregate Payment Levy Bylaw**

1. Bylaw 50M2007, the Community Aggregate Payment Levy Bylaw, as amended, is hereby further amended.
2. Section 4(a) is deleted and replaced with the following:
 - (a) Subject to Section 5 a *Sand and Gravel Operator* operating within the *City* shall be subject to a per tonne *Levy* on *Shipments* as follows:
 - (i) *Shipments* occurring on or before June 30, 2018 shall be subject to a per tonne *Levy* of \$0.25; and
 - (ii) *Shipments* occurring after June 30, 2018 shall be subject to a per tonne *Levy* of \$0.40.
3. The following is added after subsection (b):
 - (b.1) Despite subsection (b), a separate Aggregate Shipments Annual Report, in the form of Schedule "A", must be completed for *Shipments* under 4(a)(i) and (ii) and the amount of *Levy* to be imposed on a *Sand and Gravel Operator* for 2018 *Shipments* is to be calculated by:
 - (i) multiplying the number of tonnes of *Shipments* recorded on the Aggregate Shipments Annual Report completed for subsection 4(a)(i) by the per tonne *Levy* in subsection 4(a)(i);
 - (ii) multiplying the number of tonnes of *Shipments* recorded on the Aggregate Shipments Annual Report completed for subsection 4(a)(ii) by the per tonne *Levy* in subsection 4(a)(ii);and by adding together the amounts calculated in subsection (i) and (ii).
4. This Bylaw comes into force on the day it is passed.

BYLAW NUMBER 50M2007

**BEING A BYLAW OF THE CITY OF
CALGARY RESPECTING A LEVY ON
AGGREGATE MINING OPERATIONS**

WHEREAS pursuant to Section 409.1 of the *Municipal Government Act*, R.S.A. 2000, Chapter M-26 as amended, a Council may pass a community aggregate payment levy bylaw to authorize the imposition of a levy in respect of all sand and gravel businesses operating in the municipality to raise revenue to be used toward the payment of infrastructure and other costs in the municipality;

AND WHEREAS *Community Aggregate Payment Levy Regulation 263/2005* applies to all municipalities that have passed a community aggregate payment levy bylaw;

AND WHEREAS Council for The City of Calgary has considered Report LPT2007-21 titled "Community Aggregate Payment Levy" and wishes to pass a community aggregate payment levy bylaw;

**NOW THEREFORE THE COUNCIL OF THE CITY OF CALGARY HEREBY ENACTS
AS FOLLOWS:**

1. TITLE

This Bylaw shall be known as the "Community Aggregate Payment Levy Bylaw."

2. INTERPRETATION

- (a) All attached Schedules form part of this Bylaw.
- (b) Within this Bylaw, any reference to laws are meant to refer to the current laws applicable within the Province of Alberta as at the time this Bylaw was enacted and as they are amended from time to time, and includes successor legislation.
- (c) Nothing in this Bylaw relieves a person from complying with any Federal or Provincial law or regulation, other bylaw or any requirement of any lawful permit, order or licence.
- (d) Any headings or subheadings in this Bylaw are included for guidance purposes and convenience only, and shall not form part of this Bylaw.
- (e) 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.

3. DEFINITIONS:

(a) In this bylaw:

- (1) "*Aggregate*" means gravel or sand, individually or in combination;
- (2) "*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;
- (3) "*Crown*" means The Crown in right of Alberta or Canada;
- (4) "*Levy*" means the community aggregate payment levy imposed pursuant to this Bylaw under the authority of the Municipal Government Act;
- (5) "*Municipal Government Act*" means the Municipal Government Act being R.S.A 2000 c.M-26, as amended;
- (6) "*Sand and Gravel Operator*" means a person engaged in extracting sand and gravel for *Shipment*; and
- (7) "*Shipment*" means the quantity of *Aggregate* hauled from the pit where it was extracted.

4. TERMS AND RATES

- (a) Subject to Section 5 a *Sand and Gravel Operator* operating within the *City* shall be subject to a \$0.25 per tonne *Levy* on *Shipments*.
- (b) The amount of *Levy* to be imposed on a *Sand and Gravel Operator* is calculated by multiplying the number of tonnes of *Shipments* recorded on the Aggregate Shipments Annual Report, in the form of Schedule "A", for that *Sand and Gravel Operator* for the calendar year by the *Levy* referred to in Subsection 4(a).
- (c) A *Sand and Gravel Operator* who is unable to weigh the amount of sand and gravel in a *Shipment* because a weigh scale is unavailable, must apply the uniform conversion rates set out in Subsection 4(d) to the volume of aggregate shipped to calculate and record the weight of *Shipments* for the purposes of reporting under Subsection 4(e)(1).

- (d) The uniform conversion rate is:
- (1) 1 cubic metre = 1.365 tonnes, for sand; and
 - (2) 1 cubic metre = 1.632 tonnes, for gravel,
- where 1 cubic metre is equal to 1.308 cubic yards.
- (e) A *Sand and Gravel Operator* operating within the *City* shall:
- (1) deliver to the *City*, Roads Business Unit, a completed Aggregate Shipments Annual Report;
 - (2) ensure the Aggregate Shipments Annual Report referred to in Subsection 4(e)(1) is delivered to the *City*, Roads Business Unit prior to January 31st of each year for the prior calendar year's *Shipments*;
 - (3) pay the *Levy* to *City*, Roads Business Unit:
 - (i) within 30 days of the date of mailing the levy notice issued under Subsection 4(f); or
 - (ii) by monthly installments if they have previously arranged with the *City*, Roads Business Unit to do so.
- (f) The *City* will issue levy notices to the *Sand and Gravel Operators* prior to February 28th of each year.
- (g) The *Levy* shall be imposed on *Sand and Gravel Operators* until the *Sand and Gravel Operator* is no longer engaged in extracting *Aggregate* for *Shipment* and official notification to that effect is received by the *City*, Roads Business Unit.

5. EXEMPTIONS

- (a) No *Levy* shall be imposed on the following classes of *Shipments*:
- (1) a *Shipment* from a pit owned or leased by the *Crown* for a use or project that is undertaken by or on behalf of the *Crown*;
 - (2) a *Shipment* from a pit owned or leased by the *City* for a use or project that is undertaken by or on behalf of a municipality; or

- (3) a Shipment from a pit owned or leased by the *Crown* or the *City* for a use or project that is being undertaken by or on behalf of the *Crown* or a municipality.

6. PENALTIES

- (a) Any person who fails to comply with Sections 4(e)(1), 4(e)(2), or 4(e)(3) of this Bylaw shall be guilty of an offence and liable on summary conviction to a fine of not more than One Thousand (\$1,000.00) Dollars and, in default of payment, to imprisonment of a term not exceeding Six (6) months.

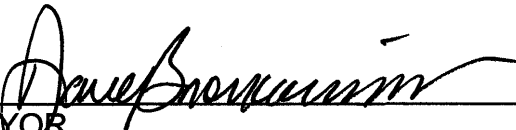
7. EFFECTIVE DATE

This Bylaw comes into force January 1st, 2008.


READ A FIRST TIME THIS 26th DAY OF NOVEMBER, 2007.

READ A SECOND TIME THIS 26th DAY OF NOVEMBER, 2007.

READ A THIRD TIME THIS 26th DAY OF NOVEMBER, 2007.



MAYOR
SIGNED THIS 26th DAY OF NOVEMBER, 2007.



CITY CLERK
SIGNED THIS 26th DAY OF NOVEMBER, 2007.

**The City of Calgary
Community Aggregate Payment Levy Bylaw**

**Schedule "A"
Aggregate Shipments Annual Report**

This report must be submitted for each pit from which an operator has extracted Aggregate in the previous calendar year.

Name of Operator	
Mailing Address of Operator	

Telephone Number	
Fax Number	
E-Mail Address	

Location of Sand/Gravel Pit including Legal Address	
Calendar Year Reported	

Name of Owner of Parcel where Pit is located	
Mailing Address of Owner of Parcel	

Telephone Number	
Fax Number	
E-mail Address	

Total aggregate that you shipped from this pit in the previous calendar year (tonnes)	TOTAL A	
--	----------------	--

Please complete Sections E1 to E3 only if this pit is:

- ☐ **Owned by the Crown or a municipality, or**
☐ **Leased by the Crown or a municipality from another party**

E1) Total aggregate that you shipped from this pit to Crown projects in the calendar year (tonnes)	
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**The City of Calgary
Community Aggregate Payment Levy Bylaw**

**Schedule "A" (continued)
Aggregate Shipments Annual Report**

E2) Total aggregate that you shipped from this pit to a project being completed by or for the City of Calgary projects in the previous calendar year (tonnes)		
E3) Total aggregate that you shipped from this pit to projects being completed by or for other municipalities (excluding the City of Calgary) in the previous calendar year (tonnes)		
Total Exempted shipments [add E1+E2+E3] (tonnes)	TOTAL B	-

This gives the Shipments subject to Community Aggregate Payment Levy (tonnes)	TOTAL A minus TOTAL B	=
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<p>The weight of sand and gravel in individual shipments may be estimated if weigh scales are unavailable. The conversion rates to be used in estimating the tonnage are as follows:</p> <p>1 cubic meter = 1.365 tonnes, for sand 1 cubic meter = 1.632 tonnes, for gravel Where 1 cubic meter = 1.308 cubic yards</p>		
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DATE: 2007 November 20

TO: CITY CLERK

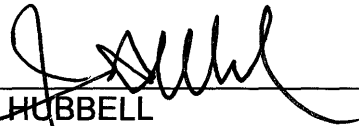
FROM: AMANDA MASTERS
BARRISTER & SOLICITOR

RE: **BYLAW NUMBER 50M2007**

**BEING A BYLAW OF THE CITY OF
CALGARY TO ~~AMEND BYLAW 32M98~~ THE
~~BUSINESS LICENCE BYLAW~~**

all.
FOR A LEVY ON AGGREGATE MINING OPERATIONS

APPROVAL AS TO CONTENT



JOHN HUBBELL
General Manager, Transportation

APPROVED AS TO FORM



AMANDA MASTERS
Barrister & Solicitor, Law Department

BUDGET PROGRAM NO.
(if applicable)

DATE OF COUNCIL INSTRUCTION
(if applicable)

April 3, 2018

Priorities and Finance Committee
The City of Calgary
P.O. Box 2100, Station M
Calgary, AB, T2P 2M5

RE: CAPL Program Update

Mayor Nenshi and Committee Members,

On behalf of our members, I am writing to express our Association's thanks for the constructive relationship that your administration has long worked to achieve with the aggregates industry. That relationship has a number of touch points. One of these is the work undertaken by the Community Aggregate Payment Levy ("CAPL") Committee. This committee was created in 2008 and has been an important tool for constructive dialogue and decision making related to the CAPL funds collected by the City. I understand that the CAPL bylaw is being brought before your committee for review and I would wish to affirm the following points:

- Industry is very pleased with the support being provided to the CAPL program by the City CAPL Committee and would wish for this support to continue
- Industry is supportive of CAPL being increased from \$0.25/tonne to \$0.40/tonne in the City of Calgary with an effective date of July 1st
- In absence of changes to provincial regulation, industry would recommend against further changes to the City CAPL bylaw

Since it was first adopted in 2008, the City has collected some \$12.5 million dollars in CAPL. This committee has steered the expenditure of these funds. Successes include top lift upgrades to 85th Street, 144 Avenue, and Symons Valley Road to name a few. In 2017, the committee piloted a road sweeping program in areas around NW gravel sources and funded by CAPL collections. This pilot program successfully reduced public complaints related to haul road debris by 70%.

In late 2017, the Alberta Government made changes to the regulation governing CAPL. That regulation allowed for the levy rate to be increased from the current \$0.25/tonne to a rate of \$0.40/tonne as of January 1st 2018. The ASGA had lobbied for changes to the CAPL program. Those lobby efforts had been focused on three areas: clarification of intent, prescription to ensure intent is achieved, a portion of CAPL dedicated to orphan pits and public education.

The ASGA has long considered the City of Calgary as a model for a positive and responsible approach to CAPL. City administration has long recognized the intent of CAPL which is to make improvements in communities and areas directly affected by gravel operations. Numerous successful projects in these areas attest to this recognition. City administration has also worked hard to maintain and support the CAPL Committee. The committee has strong City leadership and Terms of Reference to guide its activities. These are critical as a means to ensure that CAPL intent is respected and that a forum for constructive dialogue between industry, City, and public concerns are recognized and addressed.

The final element regarding orphan pits and public education is a province wide issue and should be addressed through provincial regulation. It should be noted that City representatives spoke at our Annual General Meeting in 2013. This was done as a means to educate other municipalities about the successes that are possible through a collaborative approach to CAPL. Indeed, many of the specific reforms put forward by the association such as mandatory CAPL committees for top collecting jurisdictions were based

on the successful program being demonstrated by the City of Calgary.

Ultimately, the ASGA was unsuccessful in achieving program reforms in this update to the provincial regulation. The ASGA will continue to lobby for common-sense reforms. The City would be compliant with many of these reforms at present day.

In closing, after learning of the change allowing for CAPL to be increased from \$0.25 to \$0.40, the ASGA wrote to municipalities to request deferment of the increase from January 1, 2018 to July 1, 2018. Commerce in aggregates largely relies on bids which can be concluded many months before the start of a project. A sudden change in CAPL would impact numerous projects across the City by increasing costs on projects that had been bid many months ago. The requested extension will allow these bids to remain viable for both the aggregate providers and recipients. By July 1st, our industry will be issuing bids adjusted to the \$0.40 CAPL.

It is also worth noting that, in most municipalities, 2/3 of CAPL revenue is generated in the 3rd and 4th quarters of the calendar year. The loss of revenue would be minimal, but the economic stability and aggregate supply security would outweigh that loss in most cases.

If ASGA can be of further assistance, please feel free to contact me.

Regards,

A handwritten signature in blue ink, appearing to read 'John Ashton', with a stylized flourish extending from the end.

John Ashton
Executive Director, Alberta Sand & Gravel Association

**Integrity and Ethics Office Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0554
Page 1 of 4**

Proposed Code of Conduct for Elected Officials Bylaw

EXECUTIVE SUMMARY

On 2018 March 19 Council directed the Integrity and Ethics Office to consolidate the *Ethical Conduct Policy* (CP2017-03; Effective Date 2017 July 24) and the *Integrity Commissioner Complaints Policy* (CP2016-08; effective date 2016 December 19) into a single document to be enacted as a bylaw. Council further directed the Integrity and Ethics Office to draft the bylaw to make its compliance with the Code of Conduct for Elected Officials Regulation AR 200/2017 clear and accepted the recommendations of the Integrity and Ethics Office as to how to address gaps between current Policy and the Code of Conduct for Elected Officials Regulation.

The Ethics and Integrity Office has drafted a proposed Code of Conduct for Elected Officials Bylaw in accordance with the direction of Council, attached to this Report as Attachment 1. The proposed Code of Conduct for Elected Officials Bylaw also revises the policies for clarity and addresses some stylistic and substantive gaps in the policies. This Report identifies the general differences between the current policies and the proposed Code of Conduct for Elected Officials Bylaw. Attachment 2 contains an Annotated Proposed Bylaw that indicates where a section of the bylaw can be found in the previous policies (or if it is new), and whether and how it has been revised. The few provisions from the previous policies that have been deleted are listed at the end of the Annotated Proposed Bylaw.

Council also directed the Integrity and Ethics Office to update the Context and Commentary for the *Ethical Conduct Policy* and provide the new document to Council for information. The revised Context and Commentary will be provided to Council following approval of the new bylaw.

INTEGRITY AND ETHICS RECOMMENDATIONS:

That the Priorities and Finance Committee recommends that Council:

1. Adopt the proposed Code of Conduct for Elected Officials Bylaw (Attachment 1); and
2. Rescind the *Ethical Conduct Policy* (CP2017-03) (Attachment 3) and the *Integrity Commissioner Complaints Policy* (CP2016-08) (Attachment 4) on the day that the Code of Conduct for Elected Officials Bylaw comes into force.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 July 24 Council approved the *Ethical Conduct Policy* (CP2017-03; Effective Date 2017 July 24). It also received for information the Context and Commentary to the *Ethical Conduct Policy* created by the Integrity and Ethics Office. It directed the City Clerk to consolidate the *Ethical Conduct Policy* and the Context and Commentary, and to post the consolidation in the Council Policy Library.

On 2016 December 19 Council approved the *Integrity Commissioner Complaints Policy* (CP2016-08; effective date 2016 December 19) which it modestly revised in July 2017.

The *Ethical Conduct Policy* replaced prior council policies, and in particular the *Ethical Conduct Policy for Members of Council* (CC042, effective 2013 July 01); the *Gifts and Benefits Policy for Members of Council* (CC043; effective 2013 January 28); and the *Members of Council and Election Campaign Policy* (CC041; effective 2013 January 28).

Proposed Code of Conduct for Elected Officials Bylaw

Members of Council also have duties under legislation, including the *Municipal Government Act* RSA 2000, c M-26, the *Local Authorities Election Act* RSA 2000, c L-21 and the *Freedom of Information and Protection of Privacy Act*, RSA 2000, c F-25.

BACKGROUND

On 2017 October 26 Section 146.1 of the *Municipal Government Act* RSA 2000 c M-26 came into force, along with Alberta Regulation 200/2017, the Code of Conduct for Elected Officials Regulation.

Section 146.1 of the amended *Municipal Government Act* requires Council to establish by bylaw a code of conduct governing the conduct of Members of Council.

The Code of Conduct for Elected Officials Regulation sets out the topics that must be addressed by the code of conduct bylaw. It also sets out the sanctions that can be imposed for breaching the code of conduct.

The bylaw must be approved by Council by 2018 July 23.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Stakeholder Engagement, Research and Communication

On 2018 March 6 the Integrity and Ethics Office presented a Report to the Priorities and Finance Committee identifying three gaps between current City policies and the requirements of the Code of Conduct for Elected Officials Regulation. The Report set out options for how those gaps could be addressed, and recommended a course of action. After discussion and consultation the Committee and Council accepted the recommendations of the Integrity and Ethics Office. Subsequent to the decision of Council on 2018 March 19 the Integrity and Ethics Office has consolidated and revised the policies to create the proposed Code of Conduct for Elected Officials Bylaw in Attachment 1.

Differences between the proposed Code of Conduct for Elected Officials Bylaw and the existing *Ethical Conduct Policy* and *Integrity Commissioner Complaints Policy* fall into the following general categories:

- Provisions have been reorganized to conform to how the City normally writes bylaws and as a consequence of consolidating the two policies.
- Provisions have been reorganized and grouped to make it clear how they relate to the subject matters the Code of Conduct for Elected Officials Regulation requires the bylaw to address.
- New provisions have been added to address matters required to be addressed by the Code of Conduct for Elected Officials Regulation.
- New provisions have been added to address gaps in the existing policies.
- Some provisions have been revised to improve or address gaps in the existing policies.
- Some provisions of the policy have been redrafted to be clearer and more concise.

Proposed Code of Conduct for Elected Officials Bylaw

The Annotated Proposed Bylaw in Attachment 2 identifies the precise relationship between the proposed Code of Conduct for Elected Officials Bylaw and the *Ethical Conduct Policy* and *Integrity Commissioner Complaints Policy*. The Annotated Proposed Bylaw indicates where each provision of the proposed Code of Conduct for Elected Officials Bylaw comes from and the nature of any revisions made to a provision from what was in the policies. The end of the Annotated Proposed Bylaw lists the provisions from the prior policies that have not been included in the proposed Code of Conduct for Elected Officials Bylaw.

Strategic Alignment

The proposed Code of Conduct for Elected Officials Bylaw aligns with Council's priority of supporting ethical conduct by Members of Council, as evidenced by the enactment of the *Ethical Conduct Policy* and the *Integrity Commissioner Complaints Policy*, and aligns with Council's commitment to ensuring compliance with its obligations under its governing legislation. Further, the draft bylaw aligns with Council's priority of a well-run city: "Calgary's government is open, responsive, accountable and transparent, delivering excellent services at a fair price. We work with our government partners to ensure we have the tools we need" (*Action Plan 2015-2018*).

Social, Environmental, Economic (External)

The proposed Code of Conduct for Elected Officials Bylaw will ensure Council and the City comply with their legal obligations under the *Municipal Government Act* and the Code of Conduct for Elected Officials Regulation, and will promote accountability and transparency in City government.

Financial Capacity

Current and Future Operating Budget:

There are no current and future operating budget impacts.

Current and Future Capital Budget:

There are no current and future capital budget impacts.

Risk Assessment

REASON FOR RECOMMENDATION:

The proposed Code of Conduct for Elected Officials Bylaw ensures Council and the City comply with their legal obligations under the *Municipal Government Act* and the Code of Conduct for Elected Officials Regulation.

ATTACHMENT(S)

1. Proposed Code of Conduct for Elected Officials Bylaw;
2. Annotated Proposed Code of Conduct for Elected Officials Bylaw;
3. *Ethical Conduct Policy* (CP2017-03; Effective Date 2017 July 24)
4. *Integrity Commissioner Complaints Policy* (CP2016-08; effective date 2016 December 19)

**Proposed wording for a Bylaw to establish
a Code of Conduct for Elected Officials**

WHEREAS The City of Calgary Council is committed to fostering and achieving high standards of ethical conduct *by Members* of Council;

AND WHEREAS The City of Calgary Council is committed to having an effective mechanism for oversight of the conduct *of Members* of Council;

AND WHEREAS section 146.1 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 requires the City of Calgary Council to establish by bylaw a code of conduct governing the conduct of Members of Council;

AND WHEREAS the Code of Conduct for Elected Officials Regulation AR 200/2017 sets out the matters that the code of conduct bylaw must address, which matters were formerly addressed in City of Calgary Council policies;

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY
ENACTS AS FOLLOWS:**

PART 1 - INTERPRETATION

Short Title

1. This Bylaw may be cited as the “Code of Conduct for Elected Officials Bylaw”

Purpose

2. This Bylaw establishes rules a *Member of Council* must follow in the discharge of their office, and the powers and procedure of the *Integrity Commissioner* in exercising oversight over *Members of Council*.

Definitions

3. In this Bylaw:
 - (a) “*Campaign Period*” means the period commencing the first of June immediately preceding a general election and ending on the day of the general election;
 - (b) “*City*” means The *City* of Calgary, a municipal corporation in the province of Alberta;

- (c) “*Confidential Information*” means:
- (i) information that a *Member of Council* has a legal duty not to disclose;
 - (ii) information that is not publicly available; and
 - (iii) information the disclosure of which could reasonably be expected to harm the interests of individuals or organizations, including the City;

For additional clarity, *Confidential Information* does not include information that has been made publicly available;

- (d) “*Council*” means the council of the *City of Calgary*;
- (e) “*Deputy Mayor*” means the *Member of Council* appointed as deputy chief elected official pursuant to section 152 of the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- (f) “*Election Campaign*” means activities related to the re-election of a *Member of Council* and not to their duties under the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- (g) “*Fund Raising Activity*” means any and all activities undertaken by or on behalf of a *Member of Council* to raise funds for the purpose of an *Election Campaign*, taking place at any point during a *Member of Council*’s term of office;
- (h) “*Gift or Personal Benefit*” is an item or service of value that is received by a *Member of Council* for their personal use. It includes but is not limited to money, gift cards, tickets to events, clothing, jewelry, pens, food or beverages, discounts/rebates on personal purchases, free or subsidized drinks or meals, entertainment, participation in sport and recreation activities, and invitations to social functions. *Gift or Personal Benefit* does not include campaign contributions received by a *Member of Council* in compliance with the *Local Authorities Election Act*, R.S.A. 2000, c. L-21 or funds received in accordance with the *Indemnification of Members of Council Policy* (CC010, 1977 August 22);
- (i) “*Ethics Advisor*” means the person appointed by *Council* to fulfill the obligations approved by *Council* in the “Terms of Reference for the *Ethics Advisor*”;

- (j) “*Integrity Commissioner*” means the person appointed by *Council* to fulfill the obligations approved by *Council* in the “Terms of Reference for the Integrity Commissioner”;
- (k) “*Immediate Family*” means “councillor’s family” as defined in section 169(b) of the *Municipal Government Act*, R.S.A. 2000, c. M-26: a *Member of Council’s* spouse or adult interdependent partner, children, parents and the parents of the *Member of Council’s* spouse or adult interdependent partner;
- (l) “*Mayor*” means the chief elected official of the *City* elected by a vote of the electors of the municipality under section 150 of the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- (m) “*Member of Council*” or “*Member*” means all elected officials on council, including the *Mayor*;
- (n) “*Orientation Training*” means training offered by the *City* in accordance with section 201.1 of the *Municipal Government Act*, R.S.A. 2000, c. M-26;
- (o) “*Personal Information*” means recorded information about an identifiable individual as further specified in the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25.

Application

- 4. This Bylaw applies to *Members of Council*.
- 5. This Bylaw applies to conduct undertaken on a *Member’s* behalf by *Member* staff or a *City* employee.
- 6. Part 3 of this Bylaw also applies to any person who has witnessed conduct by a *Member* or a *Member’s* staff that they believe contravenes this Bylaw or any *City* policy governing *Member* conduct.
- 7. If any provision of this Bylaw conflicts with any provision in any other Bylaw or *City* policy, the provision of this Bylaw prevails.
- 8. The Integrity and Ethics Office will review this Policy on an annual basis to ensure it reflects governing legislation as well as other legal enactments and relevant case law.

PART 2 – RULES GOVERNING MEMBER CONDUCT

A – Representing the City

9. A *Member* must approach their obligations under this Bylaw in good faith, taking into account the Context and Commentary to this Bylaw published by the Integrity and Ethics Office, as well as any decisions, opinions or interpretive guidelines issued by that Office.
10. A *Member* must in the discharge of their office:
 - (a) act in the best interests of the *City* taking into account the interests of the *City* as a whole, and without regard to the *Member's* personal interests;
 - (b) consider all issues consistently and fairly, and in light of all relevant facts, opinions and analyses of which the *Member* should be reasonably aware;
 - (c) bring to the attention of *Council* any matter that would promote the welfare or interests of the *City*;
 - (d) act competently and diligently; and
 - (e) vote on any matter brought to a *Council* meeting attended by the *Member* unless the *Member* must abstain under the *Municipal Government Act*, R.S.A. 2000, c. M-26, another enactment or at law.
11. A *Member* must respect and comply with the law and avoid conduct that, in the eyes of a reasonable Calgarian, undermines, or has the potential to undermine, public confidence in *City* governance.

B – Communicating on Behalf of the City

12. A *Member* must not communicate on behalf of the *City* unless authorized to do so by *Council* resolution or by virtue of a position or role the *Member* has been authorized to undertake by *Council*.
13. A statement or communication made by a *Member* is presumed to be made on the *Member's* own behalf, not the *City's* behalf.
14. Where a *Member* communicates on behalf of the *City* the *Member* must make reasonable efforts to ensure the communication is fair and accurate.

C – Respecting the Decision-Making Process

15. *A Member* must respect the decision-making process of *Council* and all of its boards, commissions and committees.
16. *A Member* must respect and comply with *Procedure Bylaw 35M2017*.
17. *A Member* must not act as an agent of a third-party before *Council* or any of its boards, commissions and committees.

D – Adherence to Policies, Procedures and Bylaws

18. *A Member* must respect and comply with all obligations imposed on the *Member* by statute or other legal enactment, and by the *City's* policies and procedures, including but not limited to the:
 - (a) *Municipal Government Act*, R.S.A. 2000, c. M-26;
 - (b) *Local Authorities Election Act*, R.S.A. 2000, c. L-21;
 - (c) *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25;
 - (d) *Procedure Bylaw 35M2017*
 - (e) *Respectful Workplace Policy* (HR-LR-001)
 - (f) *Workplace Violence Policy* (GN-040)
 - (g) *Acceptable Use of City Technology Resources – Members of Council* (PAC009, 2003 June 23)
 - (h) *Disclosure Policy for Members of Council* (CC044, 2014 November 04)
 - (i) *Councillors' Expenses/Allowance Policy* (PAC006, 2003 October 28)
 - (j) *Office of the Councillors Expenditure Authorization Policy* (PA008, 2003 October 29)

E – Respectful Interactions with Members, Staff, the Public and Others

19. *A Member* must communicate with *Members* of the public, one another, and with *City* employees and *Members'* staff respectfully, without abuse, bullying or intimidation.

20. A *Member* must comply with the *Respectful Workplace Policy* (HR-LR-001).

F – Confidential Information

21. A *Member* must protect *Confidential Information*. This includes the following duties:
- (a) A *Member* must not disclose *Confidential Information*, including to *City* or *Council* employees, or to persons outside the *City*, except as authorized by *Council* or by *City* employees empowered to authorize such disclosure;
 - (b) A *Member* must not use *Confidential Information* with the intention to cause harm or detriment to *Council*, the *City* or any other person or body;
 - (c) A *Member* must protect *Confidential Information* from inadvertent disclosure, including through compliance with the *Acceptable Use of City Technology Resources – Members of Council Policy* (PAC009, 2003 June 23);
 - (d) A *Member* must use *Confidential Information* only for the purpose for which it is intended to be used;
 - (e) A *Member* must take reasonable care to prevent the examination of *Confidential Information* by unauthorized individuals; and
 - (f) A *Member* must not take personal advantage of, or use for their own benefit, corporate or financial opportunities learned about through *Confidential Information*.
22. A *Member* must access and use information at the *City* only in the normal course of their duties.
23. A *Member* must not change or alter *City* records or documents other than in the normal course of their duties.
24. A *Member* must retain records and other information in accordance with best practices, and must respond in good faith to all requests for information made pursuant to the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25.
25. When dealing with *Personal Information*, a *Member* must comply with the provisions of the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25. All reasonable and necessary measures must be taken to ensure that the *Personal Information* of individuals is protected.

G – Conflicts of Interest

Disclosure

26. A *Member* must disclose their real estate and financial holdings in accordance with the *Disclosure Policy for Members of Council* (CC044, 2014 November 04).
27. A *Member* must disclose *Gifts and Personal Benefits* as required by section 35 of this Bylaw on a quarterly basis.
28. A *Member*, excluding the *Mayor*, must provide information on budgets and expenses to the Office of the Councillors in order to permit that Office to disclose those budgets and expenses as required by the *Budget and Accounting Office of the Councillors Policy* (PAC014, 2003 October 28) and the *Posting Councillor Ward Budgets and Expenses Policy* (CC027, 2006 January).
29. The *Mayor* must provide information on budgets and expenses to the *Mayor's* Chief of Staff in order to permit the Office of the Mayor to make this information publicly available in accordance with the policies and procedures governing that Office.
30. Subject to a visitor's consent, which the visitor must be encouraged to provide, a *Member* must disclose quarterly a list of persons with whom they or their staff have met in their offices, excluding media and *City* employees.

Gifts and Personal Benefits

31. A *Gift or Personal Benefit* provided to a *Member's Immediate Family* or the *Member's* staff that, to the *Member's* knowledge, is connected directly or indirectly to the performance of the *Member's* duties is deemed to be a *Gift or Personal Benefit* to that *Member*.
32. A *Member* must not accept a *Gift or Personal Benefit* that is connected directly or indirectly with the performance of their duties unless permitted by the exceptions listed in section 34 of this Bylaw.
33. A *Member* must not solicit a *Gift or Personal Benefit* that is connected directly or indirectly with the performance of their duties except in conjunction with fundraising activities for a community, charitable or non-profit organization undertaken after full disclosure to and in compliance with a written opinion from the *Ethics Advisor*.

34. A *Member* may receive a *Gift or Personal Benefit* if it is:
- (a) compensation authorized by law or *Council* resolution, including compensation for serving on external bodies such as the Alberta Urban Municipalities Association (AUMA) or the Federation of Canadian Municipalities (FCM);
 - (b) received as part of fundraising activities for a community, charitable or non-profit organization, undertaken after full disclosure to and in compliance with a written opinion from the *Ethics Advisor*;
 - (c) received as a normal or necessary incident to fulfilling the *Member's* duties;
 - (d) received as an incident of protocol or social obligation;
 - (e) a person's volunteer time or activities provided to further the interests of the *City* or the *Member's Ward*;
 - (f) a suitable memento of a function attended by the *Member* as part of their duties;
 - (g) food, lodging, or entertainment provided by provincial, regional and local governments or political subdivisions of them, by the federal government or by a foreign government within a foreign country;
 - (h) reimbursement of expenses associated with travel to and attendance at a conference or other event at which the *Member* is invited to speak; or
 - (i) food and beverages consumed at, and tickets to, meals, banquets, receptions, sporting events, or similar activities if:
 - (i) attendance serves a legitimate purpose associated with the *Member's* duties;
 - (ii) the person extending the invitation or a representative of the inviting organization is in attendance; and
 - (iii) the value is reasonable and the invitations infrequent.
35. A *Member* must disclose all *Gifts and Personal Benefits* received. The disclosure must:
- (a) describe and/or include a photograph of the *Gift or Personal Benefit*, including its value if known; and
 - (b) indicate the source of the *Gift or Personal Benefit*, and the circumstances under which it was given or received.

Conflicts of Interest

36. A *Member* must comply with the requirements of the *Municipal Government Act*, R.S.A. 2000, c. M-26 with respect to pecuniary interests.
37. A *Member* who suspects that they have a pecuniary interest must seek advice from the *Ethics Advisor* with respect to their obligations in relation to that interest, unless doing so is not practically possible.
38. A *Member* who has a personal interest in a matter before *Council* or a *Council* committee other than a pecuniary interest must disclose that interest to the *Ethics Advisor* unless doing so is not practically possible, and should be guided by the advice of the *Ethics Advisor*.
39. A *Member* must not use the prospect of future employment by a person or entity, or other future economic opportunities, to detrimentally affect the performance of their duties to the *City*.

H – Improper Use of Influence

40. A *Member* must only use the influence of their office for the exercise of their official duties.
41. A *Member* must be independent and impartial, and must not provide preferential treatment to any person or organization except as warranted by the ordinary and lawful discharge of the *Member's* duties.
42. A *Member* must not participate in any civic events requiring them to perform official ceremonial duties between Nomination Day and Election Day, as defined by the *Local Authorities Election Act*, R.S.A. 2000, c. L-21, except as authorized by the *Ethics Advisor* after full disclosure.
43. A *Member* must comply with the *Local Authorities Election Act*, R.S.A. 2000, c. L-21 in undertaking election campaign activities and fundraising.

I – Use of Municipal Assets and Services

General

44. A *Member* may not direct the work of *City* employees, and should follow established channels of communication and authority when working with *City* employees.
45. A *Member* must not request *City* employees to undertake personal or private work on behalf of the *Member*, or accept such work from a *City* employee.

46. A *Member* must not use, or permit the use of, *City* land, facilities, equipment, supplies, services, employees or other resources for activities other than the business of the *City*.
47. A *Member* must not use funds from *City* accounts as contributions to municipal, provincial or federal election campaigns.

Election Activities

48. A *Member* must not use *City* resources for *Election Campaigns* or for a *Fund Raising Activity* at any point during a term of office.
49. A *Member* must not use *City* data for *Election Campaigns* or *Fund Raising Activities* unless those data sources are publicly available and all fees associated with the use of the data have been paid for with election campaign funds.
50. A *Member* must only use *City* property for *Election Campaigns* in accordance with *City* policies and bylaws and where such property is similarly available to all candidates.
51. A *Member* must not use their office to engage in *Election Campaign* related activities.
52. During the *Campaign Period* *Members* must not deliver *City*-funded newsletters or conduct open houses organized by them.
53. During the *Campaign Period* *Members* must not use *City* resources to distribute mass e-mails except in cases of emergency as authorized by the City Manager.
54. A *Member* must not update websites that are either *City* hosted or external websites paid for by the *City* between Nomination Day and Election Day, as defined by the *Local Authorities Election Act*, R.S.A. 2000, c. L-21, in a general election year. The website may state that the lack of updates is due to the *City's* election campaign rules
55. A *Member* must not at any time place links to a *Member's* campaign website on either *City* websites or external websites paid for by the *City*. A *Member's* campaign website may link to a *City* website or an external website paid for by the *City*.
56. A *Member* may use non-*City* funded social media and Internet resources (e.g. Twitter accounts, Facebook sites) in their personal names during a *Campaign Period*, even when they have been using those resources prior

to the *Campaign Period*. During the *Campaign Period* these accounts must include, where possible, a disclaimer that they are not *City*-funded and do not reflect *City* policy.

57. *City* employees and *Member* staff must not be engaged or requested by a *Member* to work on an *Election Campaign* during hours in which they receive compensation from the *City*, unless the work both unavoidably overlaps with the regular duties of the employee or *Member* staff and is minor and infrequent. Examples of such activities might include coordinating campaign schedules within the *Member's* calendar or redirecting citizens with campaign questions to the campaign.
58. *City* employees and *Member* staff may work on a volunteer or paid capacity for an *Election Campaign* during non-work or vacation hours, but must not identify themselves as *City* or Council employees.
59. *Member* staff may take unpaid leave from the *Member's* office to work on an *Election Campaign*.
60. Any wages paid to *City* employees and *Member* staff working on an *Election Campaign* in accordance with sections 58 and 59 of this bylaw must be paid from sources other than the *City*.

J – Orientation and Training Attendance

61. After first being elected, a *Member* must attend all sessions of *Orientation Training* unless doing so is not practically possible.
62. All *Members* must attend those sessions of *Orientation Training* identified as mandatory by the City Solicitor, City Clerk and *Ethics Advisor* unless doing so is not practically possible.

PART 3 – PROCEDURE FOR INVESTIGATING AND ADJUDICATING COMPLAINTS

A- Jurisdiction

63. The *Integrity Commissioner* has authority to investigate and adjudicate any allegation that a *Member* has violated this Bylaw or *City* policy governing *Member* conduct.

B - Reporting

64. Any person (“the reporter”) who has witnessed conduct by a *Member* or a *Member's* staff which they believe to be in contravention of this Bylaw or a

City policy governing *Member* conduct may make a report in writing setting out all pertinent information in the reporter's knowledge and request that the *Integrity Commissioner* investigate the conduct.

65. Reports to the *Integrity Commissioner* must be made to the *Integrity Commissioner* via the *City of Calgary* Whistle Blower Program website reporting option or be delivered by a postal, courier service or e-mail to:

integrity.commissioner@calgary.ca

- or -

Integrity Commissioner
Integrity and Ethics Office
P.O. Box 2100, Station M, #8001A
Calgary, AB T2P 2M5.

66. A reporter who does not provide the *Integrity Commissioner* with their name, current address and phone number will not receive any notice or other communication from the *Integrity Commissioner* notwithstanding any contrary requirement in this Bylaw.

C – Reporter Protection

67. Reporter protection is extended to any *City* employee who has knowledge of a potential violation of this Bylaw or a *City* policy governing *Member* conduct and reports the activity in good faith. Reporter protection is provided in two areas: confidentiality and retaliation.
68. Every reasonable effort will be made to maintain the confidentiality of the reporter. However, the reporter's identity may be disclosed to ensure that a thorough investigation is conducted. The identity may be disclosed to parties on a need-to-know basis, including as required by law.
69. No *City* employee or person acting on behalf of the *City* shall take any action in reprisal, oral or written, against a reporter submitting a report in good faith. Where management is informed or becomes aware of possible reprisals against an individual as a result of a report under this policy, management must inform the City Auditor. A reporter who believes they are being retaliated against should contact the City Auditor's Office. The allegations of reprisals will be the subject of immediate investigation. Where the investigation substantiates the allegations of reprisals, the City Manager will be informed and the employee(s) deemed to have violated this Bylaw will be subject to disciplinary action.

70. Protection against reprisal cannot be effectively provided to non-employees or to those who choose to keep their identity anonymous to the *Integrity Commissioner*.
71. Any reporter raising a concern should do so in good faith. Where the *Integrity Commissioner* has reasonable grounds to suspect that a reporter did not act in good faith they may take steps to address that suspicion, including commencing an investigation or referring the matter to an appropriate person, such as the City Manager. Reporting in bad faith could result in adverse legal consequences, such as disciplinary action by the *City* or an investigation by the *Integrity Commissioner*.

D – Initial assessment

72. The *Integrity Commissioner* must determine whether the conduct described in the report is within the *Integrity Commissioner's* authority to investigate and whether the information given in the report provides reasonable grounds for believing that a violation of this Bylaw or *City* policy governing *Member* conduct.
73. The *Integrity Commissioner* may reject any report received (a) more than 180 days after the date of the reported incident, or (b) more than 180 days after the reporter became aware of the incident, or (c) after the date of a municipal election which intervenes between the reported event and the date the report is received by the Commissioner.
74. If the *Integrity Commissioner*, on receipt of the report, or at any time thereafter, is of the opinion that
- (a) the conduct is not within the Integrity Commissioner's authority to investigate;
 - (b) the referral of the matter to the *Integrity Commissioner* is frivolous, vexatious or not made in good faith;
 - (c) the investigation is, or might be, hampered or the *Member* might be prejudiced by insufficiency of information identifying the reporter; or
 - (d) the conduct occurred during the period of a municipal election and is election conduct and not related to the legislated duties of a *Member*;
- the *Integrity Commissioner* will advise the reporter in writing, setting out reasons for the decision, and close the file.
75. The *Integrity Commissioner* may request further information from the reporter before determining whether or not there are reasonable grounds

for believing that a violation of this Bylaw or a *City* policy governing *Member* conduct may have occurred.

76. If the *Integrity Commissioner* is of the opinion that there are no reasonable grounds for believing that a violation of this Bylaw or a *City* policy governing *Member* conduct has occurred the *Integrity Commissioner* will advise the reporter in writing, setting out reasons for the decision, and close the file.

E – Complaints about *Members'* staff

77. When the report concerns the conduct of a *Member's* staff and
- (a) the conduct was not undertaken on the *Member's* behalf;
 - (b) the staff is not employed by the *City* in the Office of the Mayor; and
 - (c) the file is not closed pursuant to section 76;

then the *Integrity Commissioner* will advise the reporter that the report is being referred to the *Member* concerned. The *Integrity Commissioner* must refer the report to the *Member* concerned and will take no further action except as directed by the *Member*.

78. When the report concerns the conduct of staff in the Office of the Mayor, and the file is not closed pursuant to section 76, the *Integrity Commissioner* will advise the reporter that the report is being referred to the *City Auditor*.

F – Referral to the *Ethics Advisor*

79. When the *Integrity Commissioner* is of the opinion that there are reasonable grounds for believing that a violation of this Bylaw or a *City* Policy governing *Member* conduct may have occurred the *Integrity Commissioner* must determine whether the circumstances of the report require a formal investigation or whether the issues involved can be more promptly and efficiently resolved informally by the *Ethics Advisor*. In the latter case the *Integrity Commissioner* will refer the report to the *Ethics Advisor*, who will take steps, in consultation with the reporter and the *Member*, to resolve the issue informally.
80. If any concerned party is unwilling to participate in an informal process to resolve the complaint, or if the *Ethics Advisor* at any time concludes that an informal resolution is not possible, the *Ethics Advisor* must return the file to the *Integrity Commissioner* to commence a formal investigation. The *Ethics Advisor* will indicate to the *Integrity Commissioner* only that the

matter could not be resolved by the *Ethics Advisor*, and will not provide the *Integrity Commissioner* with any report or assessment on the issue.

F – Investigation

81. A formal investigation will be commenced by the *Integrity Commissioner* serving personally or by e-mail the *Member* whose conduct is at issue with the report and any supporting material together with notice of intention to conduct an investigation.
82. The *Member* will have 10 days, subject to the *Integrity Commissioner's* discretion to extend the timeline, from the date of service of notice of intention to conduct an investigation to deliver to the *Integrity Commissioner* a written response to the report together with any submissions that the *Member* chooses to make.
83. The *Integrity Commissioner* will provide the reporter with a copy of the response and submissions received from the *Member* on a strictly confidential basis, and request a reply in writing within 10 days, subject to the *Integrity Commissioner's* discretion to extend the timeline.
84. The *Integrity Commissioner* may request any person whose evidence is necessary to the investigation to provide it in an affidavit.
85. The *Integrity Commissioner* may review all books, financial records, electronic data, processing records, reports, files and any other papers, things or property belonging to or used by the *City* and enter any relevant *City* work location which the Commissioner deems necessary for the purpose of the investigation.
86. The *Integrity Commissioner* will engage a third-party for the purpose of investigating any specific aspects of the allegation against a *Member* where the *Integrity Commissioner* considers doing so necessary to ensure a proper assessment of the facts at issue;
87. In the period 90 days prior to the date of a Municipal election, the *Integrity Commissioner* may suspend any investigation underway or decline to commence an investigation.

G – Adjudication and reporting

88. The *Integrity Commissioner* will make a decision within 90 days of receiving a report requesting that the *Integrity Commissioner* investigate conduct by a *Member* of Council, unless section 87 applies or the *Integrity Commissioner* determines that doing so is not practically possible.

89. If after reviewing all pertinent information the *Integrity Commissioner* determines that a *Member* did not violate this Bylaw or a *City* policy governing *Member* conduct, the *Integrity Commissioner* will advise the reporter and the *Member* of the decision and will not disclose the fact of the investigation in an annual report or otherwise, except in the form and context of statistics.
90. If after reviewing all pertinent information the *Integrity Commissioner* determines that a *Member* did violate this Bylaw or a *City* policy governing *Member* conduct then:
- (a) the *Integrity Commissioner* will write a decision explaining their decision that the *Member* violated this Bylaw or a *City* policy governing *Member* conduct;
 - (b) the *Integrity Commissioner's* decision will make a recommendation as to the appropriate sanction for the violation;
 - (c) if the *Integrity Commissioner* determines that a contravention of this Bylaw or a *City* policy governing *Member* conduct occurred, but that the *Member* took all reasonable steps to prevent it, or that it was trivial or committed through inadvertence or a genuine error of judgment, the *Integrity Commissioner* will so state in their decision and recommend that no sanction be imposed;
 - (d) the *Integrity Commissioner* will advise the *City* Clerk that the *Integrity Commissioner* has a decision to be provided in a verbal report to Council in the closed meeting portion of a *Council* meeting;
 - (e) the *City* Clerk will ask the *Mayor* to include an verbal report from the *Integrity* and *Ethics* Office in the closed meeting portion of the agenda for the next regular or combined *Council* meeting at which consideration of the verbal report can be accommodated;
 - (f) not less than 24 hours nor more than 48 hours prior to the start of the *Council* meeting at which the verbal report is to be considered, the *Integrity Commissioner* will provide a copy of the decision, on a strictly confidential basis, to the *Member* or *Members* about whom the report was received;
 - (g) all other *Members of Council* will receive the decision on a strictly confidential basis at the time the *Integrity Commissioner* provides their verbal report to *Council* at the closed meeting; and
 - (h) Following the closed meeting the *Integrity Commissioner's* decision will be made publicly available.

91. The *Integrity Commissioner's* decision that a *Member* violated this Bylaw or a *City* policy governing *Member* conduct is final and may not be reviewed or reconsidered by *Council*. *Council* must, however, decide whether to adopt the *Integrity Commissioner's* recommendation as to sanction or whether to substitute a different lesser or greater sanction.
92. Sanctions that may be imposed for violating this Bylaw or a *City* policy governing *Member* conduct include any of the following:
- (a) a letter of reprimand addressed to the *Member*;
 - (b) a request that the *Member* issue a letter of apology;
 - (c) the publication of a letter of reprimand or request for apology by the *Integrity Commissioner*, and the *Member's* response;
 - (d) a requirement that the *Member* attend training;
 - (e) suspension or removal of the appointment of a *Member* as the *Deputy Mayor*;
 - (f) suspension or removal of the *Mayor's* presiding duties under section 154 of the *Municipal Government Act* R.S.A. 2000, c. M-26;
 - (g) suspension or removal of the *Member* from some or all *Council* committees and bodies to which the *Member* was appointed by *Council*; or
 - (h) reduction or suspension of the *Member's* remuneration as defined in section 275.1 of the *Municipal Government Act*, R.S.A. 2000, c. M-26, corresponding to a reduction in duties, excluding allowances for attendance at council meetings.

Coming into force

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

**Proposed wording for a Bylaw to establish
a Code of Conduct for Elected Officials - Annotated**

Note:

“ECP” refers to the current Ethical Conduct Policy CP2017-03

“ICCP” refers to the current Integrity Commissioner Complaints Policy CP2016-08

“NEW” indicates a new provision (not contained in the ECP or ICCP)

WHEREAS The City of Calgary Council is committed to fostering and achieving high standards of ethical conduct by Members of Council; [ECP 1.1]

AND WHEREAS The City of Calgary Council is committed to having an effective mechanism for oversight of the conduct of Members of Council; [ICCP 1.1]

AND WHEREAS section 146.1 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 requires the City of Calgary Council to establish by bylaw a code of conduct governing the conduct of Members of Council; [NEW]

AND WHEREAS the Code of Conduct for Elected Officials Regulation AR 200/2017 sets out the matters that the code of conduct bylaw must address, which matters were formerly addressed in City of Calgary Council policies; [NEW]

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY
ENACTS AS FOLLOWS:**

PART 1 - INTERPRETATION

Short Title

1. This Bylaw may be cited as the “Code of Conduct for Elected Officials Bylaw” [NEW]

Purpose

2. This Bylaw establishes rules a *Member of Council* must follow in the discharge of their office, and the powers and procedure of the *Integrity*

Commissioner in exercising oversight over *Members of Council*.
[Combines ECP 2.1 and ICCP 1.1 revised stylistically]

Definitions

3. In this Bylaw:

- (a) “*Campaign Period*” means the period commencing the first of June immediately preceding a general election and ending on the day of the general election; [ECP 4.6.1(b); revised for clarity]
- (b) “*City*” means The *City* of Calgary, a municipal corporation in the province of Alberta; [NEW]
- (c) “*Confidential Information*” means:
 - (i) information that a *Member of Council* has a legal duty not to disclose;
 - (ii) information that is not publicly available; and
 - (iii) information the disclosure of which could reasonably be expected to harm the interests of individuals or organizations, including the City;

For additional clarity, *Confidential Information* does not include information that has been made publicly available;
[ECP 4.2.1; stylistic revisions]

- (d) “*Council*” means the council of the *City* of Calgary; [NEW]
- (e) “*Deputy Mayor*” means the *Member of Council* appointed as deputy chief elected official pursuant to section 152 of the *Municipal Government Act*, R.S.A. 2000, c. M-26; [NEW]
- (f) “*Election Campaign*” means activities related to the re-election of a *Member of Council* and not to their duties under the *Municipal Government Act*, R.S.A. 2000, c. M-26; [ECP 4.6.1(b)]
- (g) “*Fund Raising Activity*” means any and all activities undertaken by or on behalf of a *Member of Council* to raise funds for the purpose of an *Election Campaign*, taking place at any point during a *Member of Council*’s term of office; [ECP 4.6.1(c)]
- (h) “*Gift or Personal Benefit*” is an item or service of value that is received by a *Member of Council* for their personal use. It includes

but is not limited to money, gift cards, tickets to events, clothing, jewelry, pens, food or beverages, discounts/rebates on personal purchases, free or subsidized drinks or meals, entertainment, participation in sport and recreation activities, and invitations to social functions. *Gift or Personal Benefit* does not include campaign contributions received by a *Member of Council* in compliance with the *Local Authorities Election Act*, R.S.A. 2000, c. L-21 or funds received in accordance with the *Indemnification of Members of Council Policy* (CC010, 1977 August 22); [ECP 4.4.1]

- (i) “*Ethics Advisor*” means the person appointed by *Council* to fulfill the obligations approved by *Council* in the “Terms of Reference for the *Ethics Advisor*”; [NEW]
- (j) “*Integrity Commissioner*” means the person appointed by *Council* to fulfill the obligations approved by *Council* in the “Terms of Reference for the Integrity Commissioner”; [NEW]
- (k) “*Immediate Family*” means “councillor’s family” as defined in section 169(b) of the *Municipal Government Act*, R.S.A. 2000, c. M-26: a *Member of Council*’s spouse or adult interdependent partner, children, parents and the parents of the *Member of Council*’s spouse or adult interdependent partner; [ECP 4.4.2; revised for precision]
- (l) “*Mayor*” means the chief elected official of the *City* elected by a vote of the electors of the municipality under section 150 of the *Municipal Government Act*, R.S.A. 2000, c. M-26; [NEW]
- (m) “*Member of Council*” or “*Member*” means all elected officials on council, including the *Mayor*; [ECP 3.2]
- (n) “*Orientation Training*” means training offered by the *City* in accordance with section 201.1 of the *Municipal Government Act*, R.S.A. 2000, c. M-26; [NEW]
- (o) “*Personal Information*” means recorded information about an identifiable individual as further specified in the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25. [ECP 4.2.6]

Application

- 4. This Bylaw applies to *Members of Council*. [ECP 3.1]
- 5. This Bylaw applies to conduct undertaken on a *Member*’s behalf by *Member* staff or a *City* employee.

[NEW, although ICCP 3.1 said that the policy applied to a *Member's* staff. The revision is because a number of restrictions on *Member* conduct (e.g., re organizing an open house during an election campaign) are things that a *Member's* staff (or, in the case of the Mayor, a *City* employee) would do for the *Member*, not the *Member* themselves, but that shouldn't make any difference for the *Member's* accountability]

6. Part 3 of this Bylaw also applies to any person who has witnessed conduct by a *Member* or a *Member's* staff that they believe contravenes this Bylaw or any *City* policy governing *Member* conduct. [ICCP 3.1]
7. If any provision of this Bylaw conflicts with any provision in any other Bylaw or *City* policy, the provision of this Bylaw prevails. [ECP 3.3]
8. The Integrity and Ethics Office will review this Policy on an annual basis to ensure it reflects governing legislation as well as other legal enactments and relevant case law. [ECP 5.1.4]

PART 2 – RULES GOVERNING MEMBER CONDUCT

A – Representing the *City*

9. A *Member* must approach their obligations under this Bylaw in good faith, taking into account the Context and Commentary to this Bylaw published by the Integrity and Ethics Office, as well as any decisions, opinions or interpretive guidelines issued by that Office. [ECP 4.1.1, minor stylistic revision]
10. A *Member* must in the discharge of their office:
 - (a) act in the best interests of the *City* taking into account the interests of the *City* as a whole, and without regard to the *Member's* personal interests;
 - (b) consider all issues consistently and fairly, and in light of all relevant facts, opinions and analyses of which the *Member* should be reasonably aware;
 - (c) bring to the attention of *Council* any matter that would promote the welfare or interests of the *City*;
 - (d) act competently and diligently; and
 - (e) vote on any matter brought to a *Council* meeting attended by the *Member* unless the *Member* must abstain under the *Municipal*

Government Act, R.S.A. 2000, c. M-26, another enactment or at law.

[ECP 4.1.3]

11. A *Member* must respect and comply with the law and avoid conduct that, in the eyes of a reasonable Calgarian, undermines, or has the potential to undermine, public confidence in *City* governance. [ECP 4.1.4]

B – Communicating on Behalf of the City

12. A *Member* must not communicate on behalf of the *City* unless authorized to do so by *Council* resolution or by virtue of a position or role the *Member* has been authorized to undertake by *Council*. [NEW]
13. A statement or communication made by a *Member* is presumed to be made on the *Member's* own behalf, not the *City's* behalf. [NEW]
14. Where a *Member* communicates on behalf of the *City* the *Member* must make reasonable efforts to ensure the communication is fair and accurate. [NEW]

C – Respecting the Decision-Making Process

15. A *Member* must respect the decision-making process of *Council* and all of its boards, commissions and committees. [NEW]
16. A *Member* must respect and comply with *Procedure Bylaw* 35M2017. [NEW; note that this effectively duplicates Section 19(d) below, but is included twice for clarity]
17. A *Member* must not act as an agent of a third-party before *Council* or any of its boards, commissions and committees. [ECP 4.1.9]

D – Adherence to Policies, Procedures and Bylaws

18. A *Member* must respect and comply with all obligations imposed on the *Member* by statute or other legal enactment, and by the *City's* policies and procedures, including but not limited to the:
 - (a) *Municipal Government Act*, R.S.A. 2000, c. M-26;
 - (b) *Local Authorities Election Act*, R.S.A. 2000, c. L-21;
 - (c) *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25;

- (d) *Procedure Bylaw* 35M2017; [NEW]
- (e) *Respectful Workplace Policy* (HR-LR-001);
- (f) *Workplace Violence Policy* (GN-040);
- (g) *Acceptable Use of City Technology Resources – Members of Council* (PAC009, 2003 June 23);
- (h) *Disclosure Policy for Members of Council* (CC044, 2014 November 04);
- (i) *Councillors' Expenses/Allowance Policy* (PAC006, 2003 October 28);
- (j) *Office of the Councillors Expenditure Authorization Policy* (PA008, 2003 October 29);

[ECP 4.1.2, with addition of reference to Procedure Bylaw]

E – Respectful Interactions with Members, Staff, the Public and Others

- 19. *A Member* must communicate with *Members* of the public, one another, and with *City* employees and *Members'* staff respectfully, without abuse, bullying or intimidation. [ECP 4.1.5]
- 20. *A Member* must comply with the *Respectful Workplace Policy* (HR-LR-001). [ECP 4.1.2, duplicating 19(e) above, included again for clarity]

F – Confidential Information

- 21. *A Member* must protect *Confidential Information*. This includes the following duties:
 - (a) *A Member* must not disclose *Confidential Information*, including to *City* or *Council* employees, or to persons outside the *City*, except as authorized by *Council* or by *City* employees empowered to authorize such disclosure;
 - (b) *A Member* must not use *Confidential Information* with the intention to cause harm or detriment to *Council*, the *City* or any other person or body;
 - (c) *A Member* must protect *Confidential Information* from inadvertent disclosure, including through compliance with the *Acceptable Use of City Technology Resources – Members of Council Policy* (PAC009, 2003 June 23);

- (d) *A Member must use Confidential Information only for the purpose for which it is intended to be used;*
- (e) *A Member must take reasonable care to prevent the examination of Confidential Information by unauthorized individuals; and*
- (f) *A Member must not take personal advantage of, or use for their own benefit, corporate or financial opportunities learned about through Confidential Information.*

[ECP 4.2.2]

- 22. *A Member must access and use information at the City only in the normal course of their duties.* [ECP 4.2.3]
- 23. *A Member must not change or alter City records or documents other than in the normal course of their duties.* [ECP 4.2.4]
- 24. *A Member must retain records and other information in accordance with best practices, and must respond in good faith to all requests for information made pursuant to the Freedom of Information and Protection of Privacy Act, R.S.A. 2000, c. F-25.* [ECP 4.2.5]
- 25. *When dealing with Personal Information, a Member must comply with the provisions of the Freedom of Information and Protection of Privacy Act, R.S.A. 2000, c. F-25. All reasonable and necessary measures must be taken to ensure that the Personal Information of individuals is protected.* [ECP 4.2.6; revised to reflect fact that definition of Personal Information moved to definitions section. Also now just says “Personal Information ...is protected”, not “personal or private information...is protected” since it’s not clear what private information meant, and the legal duties of a Member are those set out in FOIP which uses the defined term Personal Information]

G – Conflicts of Interest

Disclosure

- 26. *A Member must disclose their real estate and financial holdings in accordance with the Disclosure Policy for Members of Council (CC044, 2014 November 04).* [ECP 4.3.1]
- 27. *A Member must disclose Gifts and Personal Benefits as required by section 35 of this Bylaw on a quarterly basis.* [ECP 4.3.1; Revised to impose quarterly reporting obligation; timing determined after consultation with Manager of Office of the Councillors]

28. A *Member*, excluding the *Mayor*, must provide information on budgets and expenses to the Office of the Councillors to permit that Office to disclose those budgets and expenses as required by the *Budget and Accounting Office of the Councillors Policy* (PAC014, 2003 October 28) and the *Posting Councillor Ward Budgets and Expenses Policy* (CC027, 2006 January). [ECP 4.3.3; Minor stylistic revisions; also revised to reflect that Mayor not subject to either of these Policies; Mayor's obligations dealt with in subsequent section]
29. The *Mayor* must provide information on budgets and expenses to the *Mayor's* Chief of Staff in order to permit the Office of the Mayor to make this information publicly available in accordance with the policies and procedures governing that Office. [NEW]
30. Subject to a visitor's consent, which the visitor must be encouraged to provide, a *Member* must disclose quarterly a list of persons with whom they or their staff have met in their offices, excluding media and *City* employees. [ECP 4.3.4]

Gifts and Personal Benefits

31. A *Gift or Personal Benefit* provided to a *Member's Immediate Family* or the *Member's* staff that, to the *Member's* knowledge, is connected directly or indirectly to the performance of the *Member's* duties is deemed to be a *Gift or Personal Benefit* to that *Member*. [ECP 4.4.3]
32. A *Member* must not accept a *Gift or Personal Benefit* that is connected directly or indirectly with the performance of their duties unless permitted by the exceptions listed in section 34 of this Bylaw. [ECP 4.4.4]
33. A *Member* must not solicit a *Gift or Personal Benefit* that is connected directly or indirectly with the performance of their duties except in conjunction with fundraising activities for a community, charitable or non-profit organization undertaken after full disclosure to and in compliance with a written opinion from the *Ethics Advisor*. [ECP 4.4.5]
34. A *Member* may receive a *Gift or Personal Benefit* if it is:
 - (a) compensation authorized by law or *Council* resolution, including compensation for serving on external bodies such as the Alberta Urban Municipalities Association (AUMA) or the Federation of Canadian Municipalities (FCM); [revised to allow a *Member* to receive a gift or personal benefit if it is authorized by Council resolution]

- (b) received as part of fundraising activities for a community, charitable or non-profit organization, undertaken after full disclosure to and in compliance with a written opinion from the *Ethics Advisor*;
- (c) received as a normal or necessary incident to fulfilling the *Member's* duties;
- (d) received as an incident of protocol or social obligation;
- (e) a person's volunteer time or activities provided to further the interests of the *City* or the *Member's Ward*;
- (f) a suitable memento of a function attended by the *Member* as part of their duties;
- (g) food, lodging, or entertainment provided by provincial, regional and local governments or political subdivisions of them, by the federal government or by a foreign government within a foreign country;
[revised for clarity ("or" entertainment rather than "and" entertainment)]
- (h) reimbursement of expenses associated with travel to and attendance at a conference or other event at which the *Member* is invited to speak; or
- (i) food and beverages consumed at, and tickets to, meals, banquets, receptions, sporting events, or similar activities if:
 - (i) attendance serves a legitimate purpose associated with the *Member's* duties;
 - (ii) the person extending the invitation or a representative of the inviting organization is in attendance; and
 - (iii) The value is reasonable and the invitations infrequent.

[ECP 4.4.6]

35. A *Member* must disclose all *Gifts and Personal Benefits* received. The disclosure must:

- (a) describe and/or include a photograph of the *Gift or Personal Benefit*, including its value if known; and
- (b) indicate the source of the *Gift or Personal Benefit*, and the circumstances under which it was given or received.

[ECP 4.4.7]

Conflicts of Interest

36. A *Member* must comply with the requirements of the *Municipal Government Act*, R.S.A. 2000, c. M-26 with respect to pecuniary interests. [ECP 4.5.1]
37. A *Member* who suspects that they have a pecuniary interest must seek advice from the *Ethics Advisor* with respect to their obligations in relation to that interest, unless doing so is not practically possible. [ECP 4.5.2]
38. A *Member* who has a personal interest in a matter before *Council* or a *Council* committee other than a pecuniary interest must disclose that interest to the *Ethics Advisor* unless doing so is not practically possible, and should be guided by the advice of the *Ethics Advisor*. [ECP 4.5.3]
39. A *Member* must not use the prospect of future employment by a person or entity, or other future economic opportunities, to detrimentally affect the performance of their duties to the *City*. [ECP 4.1.8]

H – Improper Use of Influence

40. A *Member* must only use the influence of their office for the exercise of their official duties. [ECP 4.1.6]
41. A *Member* must be independent and impartial, and must not provide preferential treatment to any person or organization except as warranted by the ordinary and lawful discharge of the *Member's* duties. [ECP 4.1.7]
42. A *Member* must not participate in any civic events requiring them to perform official ceremonial duties between Nomination Day and Election Day, as defined by the *Local Authorities Election Act*, R.S.A. 2000, c. L-21, except as authorized by the *Ethics Advisor* after full disclosure. [ECP 4.6.15; stylistic revisions; Revised to create exception where the *Ethics Advisor* authorizes participation; revision addresses over breadth of blanket prohibition.]
43. A *Member* must comply with the *Local Authorities Election Act*, R.S.A. 2000, c. L-21 in undertaking election campaign activities and fundraising. [ECP 4.6.3]

I – Use of Municipal Assets and Services

General

44. *A Member* may not direct the work of *City* employees, and should follow established channels of communication and authority when working with *City* employees. [ECP 4.1.10]
45. *A Member* must not request *City* employees to undertake personal or private work on behalf of the *Member*, or accept such work from a *City* employee. [ECP 4.1.11]
46. *A Member* must not use, or permit the use of, *City* land, facilities, equipment, supplies, services, employees or other resources for activities other than the business of the *City*. [ECP 4.1.12]
47. *A Member* must not use funds from *City* accounts as contributions to municipal, provincial or federal election campaigns. [ECP 4.6.16; stylistic revisions]

Election Activities

48. *A Member* must not use *City* resources for *Election Campaigns* or for a *Fund Raising Activity* at any point during a term of office. [ECP 4.6.12; stylistic revisions]
49. *A Member* must not use *City* data for *Election Campaigns* or *Fund Raising Activities* unless those data sources are publicly available and all fees associated with the use of the data have been paid for with election campaign funds. [ECP 4.6.13; stylistic revisions]
50. *A Member* must only use *City* property for *Election Campaigns* in accordance with *City* policies and bylaws and where such property is similarly available to all candidates. [ECP 4.6.14; stylistic revisions]
51. *A Member* must not use their office to engage in *Election Campaign* related activities. [ECP 4.6.11; stylistic revisions]
52. During the *Campaign Period* *Members* must not deliver *City*-funded newsletters or conduct open houses organized by them. [ECP 4.6.4; stylistic revisions]
53. During the *Campaign Period* *Members* must not use *City* resources to distribute mass e-mails except in cases of emergency as authorized by the *City Manager*. [ECP 4.6.4; stylistic revisions]

54. A *Member* must not update websites that are either *City* hosted or external websites paid for by the *City* between Nomination Day and Election Day, as defined by the *Local Authorities Election Act*, R.S.A. 2000, c. L-21, in a general election year. The website may state that the lack of updates is due to the *City*'s election campaign rules. [ECP 4.6.5; stylistic revisions]
55. A *Member* must not at any time place links to a *Member*'s campaign website on either *City* websites or external websites paid for by the *City*. A *Member*'s campaign website may link to a *City* website or an external website paid for by the *City*. [ECP 4.6.6; revised to clarify that the campaign website may link to the *City* websites; stylistic revisions]
56. A *Member* may use non-*City* funded social media and Internet resources (e.g. Twitter accounts, Facebook sites) in their personal names during a *Campaign Period*, even when they have been using those resources prior to the *Campaign Period*. During the *Campaign Period* these accounts must include, where possible, a disclaimer that they are not *City*-funded and do not reflect *City* policy. [ECP 4.6.7; revised to remove statement that accounts "should not" include the *Member*'s current position title since a) it was not mandatory; b) it was artificial and not practical since people know the job the *Member* has; stylistic revisions]
57. *City* employees and *Member* staff must not be engaged or requested by a *Member* to work on an *Election Campaign* during hours in which they receive compensation from the *City*, unless the work both unavoidably overlaps with the regular duties of the employee or *Member* staff and is minor and infrequent. Examples of such activities might include coordinating campaign schedules within the *Member*'s calendar or redirecting citizens with campaign questions to the campaign. [ECP 4.6.8 and 4.6.9; stylistic revisions]
58. *City* employees and *Member* staff may work on a volunteer or paid capacity for an *Election Campaign* during non-work or vacation hours, but must not identify themselves as *City* or Council employees. [ECP 4.6.8 and 4.6.9; stylistic revisions]
59. *Member* staff may take unpaid leave from the *Member*'s office to work on an *Election Campaign*. [ECP 4.6.9; stylistic revisions]
60. Any wages paid to *City* employees and *Member* staff working on an *Election Campaign* in accordance with sections 58 and 59 of this bylaw must be paid from sources other than the *City*. [NEW; for clarification]

J – Orientation and Training Attendance

61. After first being elected, a *Member* must attend all sessions of *Orientation Training* unless doing so is not practically possible. [NEW]
62. All *Members* must attend those sessions of *Orientation Training* identified as mandatory by the City Solicitor, City Clerk and *Ethics Advisor* unless doing so is not practically possible. [NEW]

PART 3 – PROCEDURE FOR INVESTIGATING AND ADJUDICATING COMPLAINTS

A- Jurisdiction

63. The *Integrity Commissioner* has authority to investigate and adjudicate any allegation that a *Member* has violated this Bylaw or *City* policy governing *Member* conduct. [NEW; this addresses an oversight. The ICCP was originally part of the Integrity Commissioner's Terms of Reference. The Terms of Reference say that the *Integrity Commissioner* can decide whether "the Member was in violation of any ethical duty the Member owed to Council, the City, the public or any individual." When the ICCP was created that jurisdictional point was not incorporated in the policy. This new provision corrects that omission and further specifies the Commissioner's jurisdiction in light of the fact that we now have rules governing Member's duties which was not the case when the Terms of Reference were written]

B - Reporting

64. Any person ("the reporter") who has witnessed conduct by a *Member* or a *Member's* staff which they believe to be in contravention of this Bylaw or a *City* policy governing *Member* conduct may make a report in writing setting out all pertinent information in the reporter's knowledge and request that the *Integrity Commissioner* investigate the conduct. [ICCP 4.1.1; stylistic revisions]
65. Reports to the *Integrity Commissioner* must be made to the *Integrity Commissioner* via the *City of Calgary* Whistle Blower Program website reporting option or be delivered by a postal, courier service or e-mail to:

integrity.commissioner@calgary.ca

- or -

Integrity Commissioner
Integrity and Ethics Office
P.O. Box 2100, Station M, #8001A

Calgary, AB T2P 2M5.

[ICCP 4.1.2; stylistic revisions and to incorporate point that we now receive complaints by e-mail]

66. A reporter who does not provide the *Integrity Commissioner* with their name, current address and phone number will not receive any notice or other communication from the *Integrity Commissioner* notwithstanding any contrary requirement in this Bylaw. [ICCP 4.8.4; stylistic revisions]

C – Reporter Protection

67. Reporter protection is extended to any *City* employee who has knowledge of a potential violation of this Bylaw or a *City* policy governing *Member* conduct and reports the activity in good faith. Reporter protection is provided in two areas: confidentiality and retaliation. [ICCP 4.2.1; stylistic revisions and to remove reference to waste and wrongdoing which is not applicable here]
68. Every reasonable effort will be made to maintain the confidentiality of the reporter. However, the reporter's identity may be disclosed to ensure that a thorough investigation is conducted. The identity may be disclosed to parties on a need-to-know basis, including as required by law. [ICCP 4.2.2]
69. No *City* employee or person acting on behalf of the *City* shall take any action in reprisal, oral or written, against a reporter submitting a report in good faith. Where management is informed or becomes aware of possible reprisals against an individual as a result of a report under this policy, management must inform the City Auditor. A reporter who believes they are being retaliated against should contact the City Auditor's Office. The allegations of reprisals will be the subject of immediate investigation. Where the investigation substantiates the allegations of reprisals, the City Manager will be informed and the employee(s) deemed to have violated this Bylaw will be subject to disciplinary action. [ICCP 4.2.3; stylistic revisions; minor revision to change "the manager" to "management" since management includes more categories than managers]
70. Protection against reprisal cannot be effectively provided to non-employees or to those who choose to keep their identity anonymous to the *Integrity Commissioner*. [ICCP 4.2.4]
71. Any reporter raising a concern should do so in good faith. Where the *Integrity Commissioner* has reasonable grounds to suspect that a reporter did not act in good faith they may take steps to address that suspicion, including commencing an investigation or referring the matter to an appropriate person, such as the City Manager. Reporting in bad faith

could result in adverse legal consequences, such as disciplinary action by the *City* or an investigation by the *Integrity Commissioner*. [ICCP 4.2.5; Revised to address issue that prior version did not say who would determine whether an allegation was not made in good faith]

D – Initial assessment

72. The *Integrity Commissioner* must determine whether the conduct described in the report is within the *Integrity Commissioner's* authority to investigate and whether the information given in the report provides reasonable grounds for believing that a violation of this Bylaw or *City* policy governing *Member* conduct. [ICCP 4.3.1; stylistic revisions]
73. The *Integrity Commissioner* may reject any report received (a) more than 180 days after the date of the reported incident, or (b) more than 180 days after the reporter became aware of the incident, or (c) after the date of a municipal election which intervenes between the reported event and the date the report is received by the Commissioner. [ICCP 4.8.2; stylistic revisions]
74. If the *Integrity Commissioner*, on receipt of the report, or at any time thereafter, is of the opinion that
- (a) the conduct is not within the *Integrity Commissioner's* authority to investigate;
 - (b) the referral of the matter to the *Integrity Commissioner* is frivolous, vexatious or not made in good faith;
 - (c) the investigation is, or might be, hampered or the *Member* might be prejudiced by insufficiency of information identifying the reporter; or
 - (d) the conduct occurred during the period of a municipal election and is election conduct and not related to the legislated duties of a *Member*;
- the *Integrity Commissioner* will advise the reporter in writing, setting out reasons for the decision, and close the file.
- [ICCP 4.3.2 and 4.8.3; stylistic revisions]
75. The *Integrity Commissioner* may request further information from the reporter before determining whether or not there are reasonable grounds for believing that a violation of this Bylaw or a *City* policy governing *Member* conduct may have occurred. [ICCP 4.3.3; stylistic revisions]

76. If the *Integrity Commissioner* is of the opinion that there are no reasonable grounds for believing that a violation of this Bylaw or a *City* policy governing *Member* conduct has occurred the *Integrity Commissioner* will advise the reporter in writing, setting out reasons for the decision, and close the file. [ICCP 4.3.4; stylistic revisions]

E – Complaints about *Members*’ staff

77. When the report concerns the conduct of a *Member*’s staff and
- (a) the conduct was not undertaken on the *Member*’s behalf;
 - (b) the staff is not employed by the *City* in the Office of the Mayor; and
 - (c) the file is not closed pursuant to section 76;

then the *Integrity Commissioner* will advise the reporter that the report is being referred to the *Member* concerned. The *Integrity Commissioner* must refer the report to the *Member* concerned and will take no further action except as directed by the *Member*.

[ICCP 4.3.1; stylistic revisions; also revised to reflect general point that a *Member* is accountable for misconduct by a staff *Member* acting on the *Member*’s behalf]

78. When the report concerns the conduct of staff in the Office of the Mayor, the conduct was not undertaken on the Mayor’s behalf and the file is not closed pursuant to section 76, the *Integrity Commissioner* will advise the reporter that the report is being referred to the City Auditor. [ICCP 4.4.2; stylistic revisions; also revised to reflect general point that a *Member* is accountable for misconduct by an employee acting on the *Member*’s behalf (which in the Mayor’s case would be a *City* employee)]

F – Referral to the *Ethics Advisor*

79. When the *Integrity Commissioner* is of the opinion that there are reasonable grounds for believing that a violation of this Bylaw or a *City* Policy governing *Member* conduct may have occurred the *Integrity Commissioner* must determine whether the circumstances of the report require a formal investigation or whether the issues involved can be more promptly and efficiently resolved informally by the *Ethics Advisor*. In the latter case the *Integrity Commissioner* will refer the report to the *Ethics Advisor*, who will take steps, in consultation with the reporter and the *Member*, to resolve the issue informally. [ICCP 4.5.1; stylistic revisions]

80. If any concerned party is unwilling to participate in an informal process to resolve the complaint, or if the *Ethics Advisor* at any time concludes that an informal resolution is not possible, the *Ethics Advisor* must return the file to the *Integrity Commissioner* to commence a formal investigation. The *Ethics Advisor* will indicate to the *Integrity Commissioner* only that the matter could not be resolved by the *Ethics Advisor*, and will not provide the *Integrity Commissioner* with any report or assessment on the issue. [ICCP 4.5.2; stylistic revisions]

F – Investigation

81. A formal investigation will be commenced by the *Integrity Commissioner* serving personally or by e-mail the *Member* whose conduct is at issue with the report and any supporting material together with notice of intention to conduct an investigation. [ICCP 4.6.1; stylistic revisions]
82. The *Member* will have 10 days, subject to the *Integrity Commissioner's* discretion to extend the timeline, from the date of service of notice of intention to conduct an investigation to deliver to the *Integrity Commissioner* a written response to the report together with any submissions that the *Member* chooses to make. [ICCP 4.6.2; stylistic revisions]
83. The *Integrity Commissioner* will provide the reporter with a copy of the response and submissions received from the *Member* on a strictly confidential basis, and request a reply in writing within 10 days, subject to the *Integrity Commissioner's* discretion to extend the timeline. [ICCP 4.6.3; stylistic revisions]
84. The *Integrity Commissioner* may request any person whose evidence is necessary to the investigation to provide it in an affidavit. [ICCP 4.6.4; stylistic revisions]
85. The *Integrity Commissioner* may review all books, financial records, electronic data, processing records, reports, files and any other papers, things or property belonging to or used by the *City* and enter any relevant *City* work location which the Commissioner deems necessary for the purpose of the investigation. [ICCP 4.6.5; stylistic revisions]
86. The *Integrity Commissioner* will engage a third-party for the purpose of investigating any specific aspects of the allegation against a *Member* where the *Integrity Commissioner* considers doing so necessary to ensure a proper assessment of the facts at issue. [NEW; added based on experience since the ICCP was created]

87. In the period 90 days prior to the date of a Municipal election, the *Integrity Commissioner* may suspend any investigation underway or decline to commence an investigation. [ICCP 4.8.1; stylistic revisions]

G – Adjudication and reporting

88. The *Integrity Commissioner* will make a decision within 90 days of receiving a report requesting that the *Integrity Commissioner* investigate conduct by a *Member* of Council, unless section 87 applies or the *Integrity Commissioner* determines that doing so is not practically possible. [ICCP 4.7.1; stylistic revisions; also revised to reflect power to suspend an investigation and that in some circumstances the 90 day limit may not be practicable]
89. If after reviewing all pertinent information the *Integrity Commissioner* determines that a *Member* did not violate this Bylaw or a *City* policy governing *Member* conduct, the *Integrity Commissioner* will advise the reporter and the *Member* of the decision and will not disclose the fact of the investigation in an annual report or otherwise, except in the form and context of statistics. [ICCP 4.7.2; stylistic revisions]
90. If after reviewing all pertinent information the *Integrity Commissioner* determines that a *Member* did violate this Bylaw or a *City* policy governing *Member* conduct then:
- (a) the *Integrity Commissioner* will write a decision explaining their decision that the *Member* violated this Bylaw or a *City* policy governing *Member* conduct;
 - (b) the *Integrity Commissioner's* decision will make a recommendation as to the appropriate sanction for the violation;
 - (c) if the *Integrity Commissioner* determines that a contravention of this Bylaw or a *City* policy governing *Member* conduct occurred, but that the *Member* took all reasonable steps to prevent it, or that it was trivial or committed through inadvertence or a genuine error of judgment, the *Integrity Commissioner* will so state in their decision and recommend that no sanction be imposed;
 - (d) the *Integrity Commissioner* will advise the *City* Clerk that the *Integrity Commissioner* has a decision to be provided in a verbal report to *Council* in the closed meeting portion of a *Council* meeting;
 - (e) the *City* Clerk will ask the *Mayor* to include an verbal report from the *Integrity and Ethics Office* in the closed meeting portion of the agenda for the next regular or combined *Council* meeting at which consideration of the verbal report can be accommodated;

- (f) not less than 24 hours nor more than 48 hours prior to the start of the *Council* meeting at which the verbal report is to be considered, the *Integrity Commissioner* will provide a copy of the decision, on a strictly confidential basis, to the *Member* or *Members* about whom the report was received;
- (g) all other *Members* of Council will receive the decision on a strictly confidential basis at the time the *Integrity Commissioner* provides their verbal report to *Council* at the closed meeting; and
- (h) following the closed meeting the *Integrity Commissioner's* decision will be made publicly available.

[ICCP 4.7.1 and 4.7.3; consolidated; stylistic revisions; and revised to a) create obligation on IC to write a decision; b) to distinguish between a decision and a verbal report to Council which will also be provided; c) to make the publication of the decision mandatory]

- 91. The *Integrity Commissioner's* decision that a *Member* violated this Bylaw or a *City* policy governing *Member* conduct is final and may not be reviewed or reconsidered by *Council*. *Council* must, however, decide whether to adopt the *Integrity Commissioner's* recommendation as to sanction or whether to substitute a different lesser or greater sanction. [NEW]
- 92. Sanctions that may be imposed for violating this Bylaw or a *City* policy governing *Member* conduct include any of the following:
 - (a) a letter of reprimand addressed to the *Member*;
 - (b) a request that the *Member* issue a letter of apology;
 - (c) the publication of a letter of reprimand or request for apology by the *Integrity Commissioner*, and the *Member's* response;
 - (d) a requirement that the *Member* attend training;
 - (e) suspension or removal of the appointment of a *Member* as the *Deputy Mayor*;
 - (f) suspension or removal of the Mayor's presiding duties under section 154 of the *Municipal Government Act*, R.S.A. 2000, c. M-26;
 - (g) suspension or removal of the *Member* from some or all *Council* committees and bodies to which the *Member* was appointed by *Council*; or

- (h) reduction or suspension of the *Member's* remuneration as defined in section 275.1 of the *Municipal Government Act*, R.S.A. 2000, c. M-26, corresponding to a reduction in duties, excluding allowances for attendance at council meetings.

[NEW]

Coming into force

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

Text For Discussion

Clauses not incorporated in the bylaw:

Ethical Conduct Policy:

4.6.2 In accordance with section 9 of the *Local Authorities Election Act*, a Member's term of office expires with the beginning of the Organizational Meeting (the swearing-in of the new Council) immediately following a general election. *[Not included because seems unnecessary. The legislation imposes this rule and it is not necessary for the interpretation of any of the other rules governing Members]*

5.1.1 A Member or any individual who believes a Member is in violation of this Policy may report their concerns in accordance with the Integrity Commissioner Complaints Policy (CP2016-08, 2016 December 19).

5.1.2 The Integrity Commissioner will receive, investigate and respond to reports received in accordance with the Integrity Commissioner Complaints Policy (CP2016-08, 2016 December 19).

5.1.3 All substantiated violations and reports shall be addressed by the Integrity Commissioner in accordance with the Integrity Commissioner Complaints Policy (CP2016-08, 2016 December 19).

[Not included because not necessary with consolidation of ECP and ICCP]

Integrity Commissioner Complaints Policy

2.1. In 2016, Council appointed an Integrity Commissioner with a mandate of receiving, investigating, adjudicating and reporting on allegations of misconduct by Members of Council. On 2016 July 4 Council approved Terms of Reference for the Integrity Commissioner, which included a Procedure Protocol for the Integrity Commissioner to receive complaints, to investigate and adjudicate complaints, and to report his findings to Council.

2.2. This Council policy prescribes:

- a. how an individual who has witnessed conduct by a Member of the City Council ("Member"), or by such Member's staff, which is believed to be in contravention of the Ethical Conduct Policy for Members of Council ("Code of Conduct") or any other policy governing conduct of Members of Council, may report such conduct to the Integrity Commissioner for the City of Calgary ("the Commissioner");

- b. protections available to that individual where he or she is an employee of the City of Calgary
- c. how the Commissioner shall respond to such reports;
- d. how the Commissioner shall investigate allegations made in such reports, and
- e. how the Commissioner shall report the results of the investigation to City Council.

[Not included because not appropriate for a bylaw]

Text For Discussion



Council Policy

Policy Title: Ethical Conduct Policy
Policy Number: CP2017-03
Report Number: PFC2017-0574
Adopted by/Date: Council / 2017 July 24
Effective Date: 2017 July 24
Last Amended: N/A
Policy Owner: Office of the Mayor and Members of Council

1. **POLICY STATEMENT**

- 1.1 City of Calgary Council is committed to fostering and achieving high standards of ethical conduct by all Members of Council.

2. **PURPOSE**

- 2.1 This Council policy establishes rules a Member of Council must follow in the discharge of their office.

3. **APPLICABILITY**

- 3.1 This Council policy ("Policy") applies to Members of Council.
- 3.2 "Member of Council" ("Member") means all elected officials on City of Calgary Council, including the Mayor.
- 3.3 In the event of a conflict between this Policy and another City of Calgary ("The City") policy governing Member conduct, this Policy governs.

4. **RULES GOVERNING MEMBER CONDUCT**

4.1 **General Obligations**

- 4.1.1 A Member must approach their obligations under this Policy in good faith. In doing so a Member must take into account the Context and Commentary to this Policy published by the Integrity and Ethics Office, as well as any decisions, opinions or interpretive guidelines issued by that Office.
- 4.1.2 A Member must respect and comply with all obligations imposed on the Member by statute or other legal enactment, and by The City's policies and procedures, including but not limited to the:
- (a) *Municipal Government Act* RSA 2000, c M-26
 - (b) *Local Authorities Election Act* RSA 2000, c L-21
 - (c) *Freedom of Information and Protection of Privacy Act* RSA 2000, c F-25

- (d) *Respectful Workplace Policy* (HR-LR-001)
- (e) *Workplace Violence Policy* (GN-040)
- (f) *Acceptable Use of City Technology Resources – Members of Council* (PAC009, 2003 June 23)
- (g) *Disclosure Policy for Members of Council* (CC044, 2014 November 04)
- (h) *Councillors' Expenses/Allowance Policy* (PAC006, 2003 October 28)
- (i) *Office of the Councillors Expenditure Authorization Policy* (PAC008, 2003 October 29)

4.1.3 A Member must in the discharge of their office:

- (a) Act in the best interests of The City taking into account the interests of The City as a whole, and without regard to the Member's personal interests;
- (b) Consider all issues consistently and fairly, and in light of all relevant facts, opinions and analyses of which the Member should be reasonably aware;
- (c) Bring to the attention of Council any matter that would promote the welfare or interests of The City;
- (d) Act competently and diligently; and
- (e) Vote on any matter brought to a Council meeting attended by the Member unless the Member must abstain under the *Municipal Government Act*, another enactment or at law.

4.1.4 A Member must respect and comply with the law, and avoid conduct that, in the eyes of a reasonable Calgarian, undermines, or has the potential to undermine, public confidence in City governance.

4.1.5 A Member must communicate with members of the public, one another, and with City and Council employees respectfully, without abuse, bullying or intimidation.

4.1.6 A Member must only use the influence of their office for the exercise of their official duties.

4.1.7 A Member must be independent and impartial, and must not provide preferential treatment to any person or organization except as warranted by the ordinary and lawful discharge of the Member's duties.

4.1.8 A Member must not use the prospect of future employment by a person or entity, or other future economic opportunities, to detrimentally affect the performance of their duties to The City.

4.1.9 A Member must not act as an agent of a third-party before Council or any of its Boards, Commissions and Committees.

- 4.1.10 A Member may not direct the work of City employees, and should follow established channels of communication and authority when working with City employees.
- 4.1.11 A Member must not request City employees to undertake personal or private work on behalf of the Member, or accept such work from a City employee.
- 4.1.12 A Member must not use, or permit the use of, City land, facilities, equipment, supplies, services, employees or other resources for activities other than the business of The City.

4.2 Confidentiality and Information Management

- 4.2.1 “Confidential Information” means information that a Member has a legal duty not to disclose. It also includes information that is not public, and the disclosure of which could reasonably harm the interests of individuals or organizations, including The City. For additional clarity, Confidential Information does not include information that has been made publicly available.
- 4.2.2 A Member must protect Confidential Information. This includes the following duties:
 - (a) A Member must not disclose Confidential Information, including to City or Council employees, or to persons outside The City, except as authorized by Council or by City employees empowered to authorize such disclosure;
 - (b) A Member must not use Confidential Information with the intention to cause harm or detriment to Council, The City or any other person or body;
 - (c) A Member must protect Confidential Information from inadvertent disclosure, including by compliance with the *Acceptable Use of City Technology Resources – Members of Council Policy* (PAC009, 2003 June 23);
 - (d) A Member must use Confidential Information only for the purpose for which it is intended to be used;
 - (e) A Member must take reasonable care to prevent the examination of Confidential Information by unauthorized individuals; and
 - (f) A Member must not take personal advantage of, or use for their own benefit, corporate or financial opportunities learned about through Confidential Information.
- 4.2.3 A Member must access and use information at The City only in the normal course of their duties.
- 4.2.4 A Member must not change or alter City records or documents other than in the normal course of their duties.

- 4.2.5 A Member must retain records and other information in accordance with best practices, and must respond in good faith to all requests for information made pursuant to the *Freedom of Information and Protection of Privacy Act*.
- 4.2.6 When dealing with Personal Information, a Member must comply with the provisions of the *Freedom of Information and Protection of Privacy Act*. All reasonable and necessary measures must be taken to ensure that the personal or private information of individuals is protected. "Personal Information" means recorded information about an identifiable individual, as further specified in the *Freedom of Information and Protection of Privacy Act*.

4.3 Disclosure

- 4.3.1 A Member must disclose their real estate and financial holdings in accordance with the *Disclosure Policy for Members of Council* (CC044, 2014 November 04).
- 4.3.2 A Member must disclose Gifts and Personal Benefits in accordance with Rule 4.4.7 of this Policy.
- 4.3.3 A Member must provide information on budgets and expenses to the Office of the Councillors in order to permit that Office to disclose those budgets and expenses as required by the *Budget and Accounting Office of the Councillors Policy* (PAC014, 2003 October 28) and the *Posting Councillor Ward Budgets and Expenses Policy* (CC027, 2006 January).
- 4.3.4 Subject to a visitor's consent, which the visitor must be encouraged to provide, a Member must disclose quarterly a list of persons with whom they or their staff have met in their offices, excluding media and City employees.

4.4 Gifts and Benefits

- 4.4.1 "Gift or Personal Benefit" is an item or service of value that is received by a Member for their personal use. It includes but is not limited to money, gift cards, tickets to events, clothing, jewelry, pens, food or beverages, discounts/rebates on personal purchases, free or subsidized drinks or meals, entertainment, participation in sport and recreation activities, and invitations to social functions. Gift or Personal Benefit does not include campaign contributions received by a Member in compliance with the *Local Authorities Election Act*, or funds received in accordance with the *Indemnification of Members of Council Policy* (CC010, 1977 August 22).
- 4.4.2 "Immediate Family" means the Member's spouse or adult interdependent partner, children, parents and the parents of the Member's spouse or adult interdependent partner (*Municipal Government Act*).
- 4.4.3 A Gift or Personal Benefit provided to a Member's Immediate Family or the Member's staff that, to the Member's knowledge, is connected directly

or indirectly to the performance of the Member's duties is deemed to be a Gift or Personal Benefit to that Member.

- 4.4.4 A Member must not accept a Gift or Personal Benefit that is connected directly or indirectly with the performance of their duties unless permitted by the exceptions listed in Rule 4.4.6.
- 4.4.5 A Member must not solicit a Gift or Personal Benefit that is connected directly or indirectly with the performance of their duties except in conjunction with fundraising activities for a community, charitable or non-profit organization undertaken after full disclosure to and in compliance with a written opinion from the Ethics Advisor.
- 4.4.6 A Member may receive a Gift or Personal Benefit if it is:
- (a) Compensation authorized by law, including compensation for serving on external bodies such as the Alberta Urban Municipalities Association (AUMA) or the Federation of Canadian Municipalities (FCM);
 - (b) Received as part of fundraising activities for a community, charitable or non-profit organization, undertaken after full disclosure to and in compliance with a written opinion from the Ethics Advisor;
 - (c) Received as a normal or necessary incident to fulfilling the Member's duties;
 - (d) Received as an incident of protocol or social obligation;
 - (e) A person's volunteer time or activities provided to further the interests of The City or the Member's Ward;
 - (f) A suitable memento of a function attended by the Member as part of their duties;
 - (g) Food, lodging, and entertainment provided by provincial, regional and local governments or political subdivisions of them, by the Federal government or by a foreign government within a foreign country;
 - (h) Reimbursement of expenses associated with travel to and attendance at a conference or other event at which the Member is invited to speak; or
 - (i) Food and beverages consumed at, and tickets to, meals, banquets, receptions, sporting events, or similar activities if:
 - (i) Attendance serves a legitimate purpose associated with the Member's duties;
 - (ii) The person extending the invitation or a representative of the inviting organization is in attendance; and
 - (iii) The value is reasonable and the invitations infrequent.

4.4.7 A Member must disclose all Gifts and Personal Benefits received. The disclosure must:

- (a) Describe and/or include a photograph of the Gift or Personal Benefit, including its value if known; and
- (b) Indicate the source of the Gift or Personal Benefit, and the circumstances under which it was given or received.

4.5 Conflicts of Interest

- 4.5.1 A Member must comply with the requirements of the *Municipal Government Act* with respect to pecuniary interests.
- 4.5.2 A Member who suspects that they have a pecuniary interest must seek advice from the Ethics Advisor with respect to their obligations in relation to that interest, unless doing so is not practically possible.
- 4.5.3 A Member who has a personal interest in a matter before Council or a Council committee other than a pecuniary interest must disclose that interest to the Ethics Advisor unless doing so is not practically possible, and should be guided by the advice of the Ethics Advisor.

4.6 Election Activities

- 4.6.1 For the purposes of this Rule, the following definitions apply:
 - (a) "Campaign Period" means the period commencing the first of June immediately preceding a general election;
 - (b) "Election Campaign" means all activities related to the re-election of a Member and not to their duties under *the Municipal Government Act* as a Member; and
 - (c) "Fund Raising Activity" means any and all activities undertaken by or on behalf of a Member to raise funds for the purpose of an Election Campaign, taking place at any point during a Member's term of office.
- 4.6.2 In accordance with section 9 of the *Local Authorities Election Act*, a Member's term of office expires with the beginning of the Organizational Meeting (the swearing-in of the new Council) immediately following a general election.
- 4.6.3 A Member must comply with the *Local Authorities Election Act* in undertaking election campaign activities and fundraising.

Newsletters, Open Houses and E-mail Campaigns

- 4.6.4 Open Houses organized by Members must be completed, and City-funded newsletters delivered, by May 31 of a general election year or not scheduled until following the Organizational Meeting of Council in a general election year. No mass email distribution should take place during

this time, using City resources except in cases of emergency, as authorized by the City Manager.

Internet Resources

- 4.6.5 Updates will not be made to the websites of Members that are either City hosted, or external websites paid for by The City between Nomination Day and Election Day in a general election year. A note may be placed on the website indicating that, due to City of Calgary election campaign rules this site will not be updated between Nomination Day and Election Day.
- 4.6.6 Links are not allowed on City websites or external websites paid for by The City to a Member's campaign website at any point in time during a term of office.
- 4.6.7 A Member may use non-City funded social media and Internet resources (e.g. Twitter accounts, Facebook sites) in their personal names during a Campaign Period. These accounts shall include, where possible, a disclaimer that they are not City-funded, nor do they reflect City policy during a Campaign Period. Account names should not include the Member's current position title, where possible (for example, Jane Smith is preferable to Councillor Jane Smith).

City and Elected Officials' Staff

- 4.6.8 City employees must not be engaged or requested by a Member to work on an Election Campaign during hours in which those persons receive compensation from The City, though they may work on a volunteer or paid capacity for an Election Campaign during non-work or vacation hours.
- 4.6.9 A Member's personal staff must operate under the same restriction, but they may take unpaid leave to work on an Election Campaign. Further, it is permissible for these staff only to undertake very modest activities that could be construed as campaign work, where such activities overlap unavoidably with the regular course of their duties. Examples of such activities might include coordinating campaign schedules within the Member's calendar or redirecting citizens with campaign questions to the campaign.
- 4.6.10 City employees and/or a Member's staff may not identify themselves as City/Council employees while working on an Election Campaign.
- 4.6.11 Under no circumstances should Member's offices be used to engage in Election Campaign related activities.

City Resources

- 4.6.12 City resources must not be used by a Member or staff for Election Campaigns or for a Fund Raising Activity at any point during a term of office.

- 4.6.13 City data must not be used by Members for Election Campaigns or Fund Raising Activities unless those data sources are publicly available and all fees associated with the use of the data have been paid for by the election campaign funds.
- 4.6.14 Use of City property for Election Campaign related activities must be in accordance with City policies and bylaws and must be available to all candidates for a similar activity.

City Functions

- 4.6.15 A Member will not participate in any civic events requiring them to perform official ceremonial duties between Nomination Day and Election Day.

Contributions to Election Campaigns

- 4.6.16 No monies from City accounts shall be used by a Member as contributions to other election campaigns, municipal, provincial or federal.

5. PROCEDURE

- 5.1.1 A Member or any individual who believes a Member is in violation of this Policy may report their concerns in accordance with the *Integrity Commissioner Complaints Policy* (CP2016-08, 2016 December 19).
- 5.1.2 The Integrity Commissioner will receive, investigate and respond to reports received in accordance with the *Integrity Commissioner Complaints Policy* (CP2016-08, 2016 December 19).
- 5.1.3 All substantiated violations and reports shall be addressed by the Integrity Commissioner in accordance with the *Integrity Commissioner Complaints Policy* (CP2016-08, 2016 December 19).
- 5.1.4 The Integrity and Ethics Office will review this Policy on an annual basis to ensure it reflects governing legislation as well as other legal enactments and relevant case law.

6. AMENDMENT(S)

Date of Council Decision	Report/By-Law	Description

7. REVIEW(S)

Date of Policy Owner's Review	Description



Council Policy

Policy Title: Integrity Commissioner Complaints Policy
Policy Number: CP2016-08
Report Number: LGT2016-0951
Adopted by/Date: Council/2016 December 19
Effective Date: 2016 December 19
Policy Owner: Integrity and Ethics Office

1. POLICY STATEMENT

- 1.1. Calgary City Council (“Council”) is committed to ensuring ethical conduct by Members of Council, and to having an effective mechanism for oversight of the conduct of Members of Council.

2. PURPOSE

- 2.1. In 2016, Council appointed an Integrity Commissioner with a mandate of receiving, investigating, adjudicating and reporting on allegations of misconduct by Members of Council. On 2016 July 4 Council approved Terms of Reference for the Integrity Commissioner, which included a Procedure Protocol for the Integrity Commissioner to receive complaints, to investigate and adjudicate complaints, and to report his findings to Council.
- 2.2. This Council policy prescribes:
- a. how an individual who has witnessed conduct by a member of the City Council (“member”), or by such member’s staff, which is believed to be in contravention of the Ethical Conduct Policy for Members of Council (“Code of Conduct”) or any other policy governing conduct of members of Council, may report such conduct to the Integrity Commissioner for the City of Calgary (“the Commissioner”);
 - b. protections available to that individual where he or she is an employee of the City of Calgary
 - c. how the Commissioner shall respond to such reports;
 - d. how the Commissioner shall investigate allegations made in such reports, and
 - e. how the Commissioner shall report the results of the investigation to City Council.

3. APPLICABILITY

- 3.1. This Council policy applies to any person who has witnessed conduct by a member or a member's staff which he or she believes to be in contravention of the Ethical Conduct Policy or any other policy governing conduct of Members of Council.

4. PROCEDURE

4.1 Reporting

- 4.1.1. Any person ("the reporter") who has witnessed conduct by a member or staff which he or she believes to be in contravention of the Ethical Conduct Policy or any other policy governing conduct of Members of Council may make a report in writing setting out all pertinent information in the reporter's knowledge and request that the Commissioner investigate the conduct.
- 4.1.2. Reports to the Commissioner shall be made to the Integrity Commissioner via the City of Calgary Whistle Blower Program website reporting option or shall be delivered by a postal or courier service to:

Integrity Commissioner
Integrity and Ethics Office
P.O. Box 2100, Station M, #8001A
Calgary, AB T2P 2M5.

4.2 Reporter Protection

- 4.2.1. Reporter protection is extended to any City employee who has knowledge of an activity considered as waste or wrongdoing and reports the activity in good faith. Reporter protection is provided in two areas: confidentiality and retaliation.
- 4.2.2. Every reasonable effort will be made to maintain the confidentiality of the reporter. However, the reporter's identity may be disclosed to ensure that a thorough investigation is conducted. The identity may be disclosed to parties on a need-to-know basis, including as required by law.
- 4.2.3. No City employee or person acting on behalf of The City shall take any action in reprisal, oral or written, against a reporter submitting a Whistle-blower report in good faith. Where management is informed or becomes aware of possible reprisals against an individual as a

result of a report under this policy, the manager must inform the City Auditor. A Reporter who believes he/she is being retaliated against should contact the City Auditor's Office. The allegations of reprisals will be the subject of immediate investigation. Where the investigation substantiates the allegations of reprisals, the City Manager will be informed and the employee(s) deemed violating this policy will be subject to disciplinary action.

- 4.2.4. Protection against reprisal cannot be effectively provided to non-employees or those who choose to keep their identity anonymous to the Integrity Commissioner.
- 4.2.5. Any reporter raising a concern, should do so in good faith. Allegations that are determined to be reported not in good faith may be subject to disciplinary action, up to and including dismissal and/or legal action.

4.3 Initial assessment

- 4.3.1. The Commissioner shall determine whether the conduct described in the report is within the Commissioner's authority to investigate and whether the information given in the report provides reasonable grounds for believing that a violation of the Code of Conduct may have occurred.
- 4.3.2. If the Commissioner, on receipt of the report, or at any time thereafter, is of the opinion that
 - a. the conduct is not within the Commissioner's authority to investigate, or
 - b. the referral of the matter to the Commissioner is frivolous, vexatious or not made in good faith, or
 - c. the investigation is, or might be, hampered or the member might be prejudiced by insufficiency of information identifying the reporter,

the Commissioner shall advise the reporter in writing, setting out reasons, and close the file.

- 4.3.3. The Commissioner may request further information from the reporter before determining whether or not there are reasonable grounds for believing that a violation of the Code of Conduct may have occurred.

- 4.3.4. If the Commissioner is of the opinion that there are no reasonable grounds for believing that a violation of the Code of Conduct may have occurred the Commissioner shall advise the reporter in writing and close the file.

4.4 Complaints about members' staff

- 4.4.1. When the report concerns the conduct of a member's staff, other than staff of the Office of the Mayor, and the file is not closed pursuant to the paragraph 4.3.4, the Commissioner shall advise the reporter that the report is being referred to the Council member concerned. The Commissioner shall refer the report to the Council member concerned and shall take no further action except as directed by the Council member.
- 4.4.2. When the report concerns the conduct of staff in the Office of the Mayor, and the file is not closed pursuant to paragraph 4.3.4, the Commissioner shall advise the reporter that the report is being referred to the City Auditor.

4.5 Referral to the Ethics Advisor

- 4.5.1. When the Commissioner is of the opinion that there are reasonable grounds for believing that a violation of the Code of Conduct may have occurred the Commissioner shall determine whether the circumstances of the report require a formal investigation or whether the issues involved can be more promptly and efficiently resolved informally by the Ethics Advisor. In the latter case the Commissioner shall refer the report to the Ethics Advisor, who will take steps, in consultation with the reporter and the member, to resolve the issue informally.
- 4.5.2. If any concerned party is unwilling to participate in an informal process to resolve the complaint, or if the Ethics Advisor at any time concludes that an informal resolution is not possible, the Ethics Advisor shall return the file to the Commissioner to commence a formal investigation. The Ethics Advisor will indicate to the Commissioner only that the matter could not be resolved by the Ethics Advisor, and will not provide the Commissioner with any reports or assessment on the issue.

4.6 Investigation

- 4.6.1 A formal investigation shall be commenced by the Commissioner serving personally or by e-mail the member whose conduct is in question ("the member") with the report and any supporting material together with notice of intention to conduct an investigation.
- 4.6.2 The member shall have 10 days, subject to the Commissioner's discretion to extend the timeline, from the date of service of notice of intention to conduct an investigation to deliver to the Commissioner a written response to the report together with any submissions which the member chooses to make.
- 4.6.3 The Commissioner shall provide the reporter with a copy of the response and submissions received from the member on a strictly confidential basis, and request a reply in writing within 10 days, subject to the Commissioner's discretion to extend the timeline.
- 4.6.4 The Commissioner may request any person whose evidence is necessary to the investigation to provide it in an affidavit.
- 4.6.5 The Commissioner may review all books, financial records, electronic data, processing records, reports, files and any other papers, things or property belonging to or used by the City of Calgary and enter any relevant City of Calgary work location which the Commissioner deems necessary for the purpose of the investigation.

4.7 Adjudication and reporting

- 4.7.1. Within 90 days of receiving a report and reviewing all of the information the Commissioner determines is pertinent to the investigation, if the violation alleged in the report is substantiated in whole or in part then:
 - a. The Commissioner shall advise the City Clerk that he is prepared to provide the report to Council at the in camera portion of a Council meeting.
 - b. The City Clerk will ask the Mayor to include a report from the Integrity and Ethics Office on the in camera portion of the

agenda for the next regular or combined Council meeting at which consideration of the report can be accommodated.

- c. No less than 24 hours nor more than 48 hours prior to the start of the Council meeting at which the report is to be considered, the Commissioner will provide a copy of the report, on a strictly confidential basis, to the member or members about whom the complaint was made.
- d. All other Council members shall receive the report on a strictly confidential basis at the time the report is discussed in camera.

4.7.2. If after reviewing all pertinent information the Commissioner determines that no violation of the Code of Conduct occurred, the Commissioner shall advise the reporter and the member of the decision and shall not disclose the fact of the investigation in an annual report, or otherwise, except in the form and context of statistics.

4.7.3. If the Commissioner determines that although a contravention of the Code of Conduct occurred the member took all reasonable steps to prevent it, or that it was trivial or committed through inadvertence or a genuine error of judgment, the Commissioner shall so state in his or her decision and shall recommend that no sanction be imposed.

4.8 General

4.8.1 In the period 90 days prior to the date of a Municipal election, the Commissioner may suspend any investigation underway or decline to commence an investigation.

4.8.2 The Commissioner may reject any report received (a) more than 180 days after the date of the reported incident, or (b) more than 180 days after the reporter became aware of the incident, or (c) after the date of a municipal election which intervenes between the reported event and the date the report is received by the Commissioner.

4.8.3 The Commissioner may reject any report concerning conduct by a Council member during the period of a municipal election which in

the opinion of the Commissioner is conduct outside of the legislated duties of Council members.

4.8.4 Any person who has not provided the Commissioner with his or her name, current address and phone number shall not be entitled to receive any notice or other communication from the Commissioner notwithstanding any contrary requirement in this Policy.

4.8.5 If any provision of this Council policy conflicts with any provision in any other Policy concerning the conduct of Council members the provision of this Council policy shall prevail.

5. AMENDMENT(S)

Date of Council Decision	Report/By-Law	Description
2016 December 19	LGT2016-0951	New Policy CP2016-08

6. REVIEWS(S)

Date of Policy Owner's Review	Description

**Chief Financial Officer's Report to
Priorities and Finance Committee
2018 May 01**

**ISC: UNRESTRICTED
PFC2018-0496
Page 1 of 1**

Status of Outstanding Motions and Directions

EXECUTIVE SUMMARY

Outstanding items for the Priorities and Finance Committee as of 2018 April 20.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee receive this report for information.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2012 April 03, the Priorities and Finance Committee directed Administration to provide the Committee with a schedule of Status of Outstanding Motions and Directions.

BACKGROUND

None.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

None.

Stakeholder Engagement, Research and Communication

None.

Strategic Alignment

This report is in alignment with the mandate of the Priorities and Finance Committee.

Social, Environmental, Economic (External)

None.

Financial Capacity

Current and Future Operating Budget:

None.

Current and Future Capital Budget:

None.

Risk Assessment

This report tracks outstanding motions and directions from the Priorities and Finance Committee to Administration. No specific risks are associated with this report. Any risks associated with a specific direction or motion will be dealt with in the context of the report on that direction or motion.

REASON(S) FOR RECOMMENDATION(S):

This report assists with the Priorities and Finance Committee to proactively track and manage its work.

ATTACHMENT(S)

Status of Outstanding Items for the Priorities and Finance Committee

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
ENSURING EFFICIENCY, TRANSPARENCY AND THE APPROPRIATE USE OF CLOSED MEETINGS FOR COUNCIL BUSINESS	2018 April 05	C2018-0405	<p>That with respect to Notice of Motion C2018-0405, the following be adopted:</p> <p>NOW THEREFORE BE IT RESOLVED that Administration be directed to bring forward a report to Council, through the Priorities and Finance Committee, no later than Q4 2018, which report shall include the following information:</p> <ol style="list-style-type: none"> 1. The categories of matters that have been discussed in closed meetings of Council over the past year and the time spent in closed meetings of Council during that period; and 2. Information about governance practices and committee structures and strategies used by other Canadian municipalities in order to allow Administration to bring forward recommendations and strategies that: <ul style="list-style-type: none"> ▪ help increase transparency in decision-making processes; ▪ assist with ensuring Council meeting efficiency and effectiveness; and ▪ assist in decreasing the amount of time Council spends in closed meetings while still ensuring that personal privacy is protected and that Council is given the opportunity to discuss matters in closed meetings appropriate for discussion in that forum. 	2018 Q4

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
ECONOMIC DEVELOPMENT INVESTMENT FUND GOVERNANCE AND TERMS OF REFERENCE	2018 March 06	PFC2018-0187	As part of the proposed reporting process for the Wholly Owned Subsidiary, direct Administration to work with the EDIF Wholly Owned Subsidiary to bring a report to the Priorities & Finance Committee that reviews the pilot EDIF governance structure no later than 2019 Q2.	2019 Q2
GREEN LINE LIGHT RAIL TRANSIT PROJECT DELIVERY MODEL RECOMMENDATION	2018 March 06	PFC2018-0207	Council direct Administration to report back no later than Q4 2018 to the Priorities and Finance Committee of Council with the recommended budgets for approval including financing and confirmation of funding from the other orders of government for the Project.	2018 Q4

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
NEW COMMUNITY GROWTH STRATEGY	2018 February 22	PFC2018-0200	1. Direct Administration to report back to Council, through the Priorities and Finance Committee, in Q2 2018 with strategic growth recommendations that increase the level of City commitment and investment in new communities, beginning with the 2019 – 2022 budget cycle, as identified in option 1(b) in this Report, and prioritize future growth areas outlined in Attachment 1, including financial implications for the 2019-2022 budget cycle, future budget cycles, and how any funding gaps for operating and capital would be funded using the property tax;	2018 Q2
			2. Direct Administration to work collaboratively with industry on potential new capital and operating options including those outside current policy constraints to: <ul style="list-style-type: none"> • Help share risk; • Leverage private investment; • Reduce City costs; and • Other mutually beneficial outcomes. And report back to Council through the Priorities and Finance Committee, as part of Recommendation1 above;	2018 Q2
			4. Direct Administration to bring a monitoring report on the implementation of the New Community Growth Strategy to the Priorities and Finance Committee no later than Q4 2019; and	2019 Q4
			5. Direct Administration to bring a report to Council, through the Priorities and Finance Committee, no later than Q3 2018, with findings and recommendations toward the development of an Established Areas Growth Strategy, including funding and timing considerations, that complements the New Community Growth Strategy	2018 Q3

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
NEW COMMUNITY GROWTH STRATEGY	2018 January 31	C2018-0122	Defer the South Sheppard Reports, CPC2017-270 and PFC2017-0445, to be brought to the Priorities and Finance Committee in 2018 Q2, as part of the analysis of all business cases related to Growth Management Overlay recommendations; and	2018 Q2
REPORT ON INVESTMENT IN CALGARY'S CORNERSTONE ARTS ORGANIZATIONS	2017 December 05	PFC2017-1202	Direct Administration to hire a third party consultant to review the process undertaken to disperse these funds and report back to Council, through the Priorities and Finance Committee, with the review and any recommendations no later than Q2 2018.	2018 Q2

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
INDEPENDENT REVIEW OF NON-RESIDENTIAL ASSESSMENT AND COMPLAINTS (MAYOR NENSHI)	2017 September 11	NM2017-38	<p>NOW THEREFORE BE IT RESOLVED that Council directs Administration to engage a consultant to conduct an independent review of the non-residential assessment process to determine if changes could be implemented within the bounds of the legislation to increase fairness, transparency and equity from the standpoint of all non-residential taxpayers, while taking into consideration associated financial risks to The City.</p> <p>AND BE IT FURTHER RESOLVED that Council directs Administration to engage a consultant to conduct an independent review of the non-residential complaint process to determine if changes could be implemented within the bounds of the legislation to the manner in which non-residential taxpayers can seek review of nonresidential property assessments.</p> <p>AND BE IT FURTHER RESOLVED that the independent review include an examination of the non-residential assessment complaint processes in The City of Edmonton and other relevant jurisdictions to determine what practices, if any, The City of Calgary could emulate to ensure greater fairness, transparency and predictability.</p> <p>AND BE IT FURTHER RESOLVED that the independent review examine non-residential assessment complaint best practices, associated financial risks and applicable legislation from other jurisdictions, for the timely and equitable resolution of assessment complaints.</p> <p>AND BE IT FURTHER RESOLVED that the independent review identify and recommend potential changes to the assessment complaint process in the <i>Municipal Government Act</i> for Council to consider adopting as an advocacy position to the province.</p> <p>AND BE IT FURTHER RESOLVED that a report return to the Priorities and Finance Committee no later than Q2 2018.</p>	2018 Q2

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
DOROTHY MOTHERWELL TAX PENALTY RELIEF (CLLR WOOLLEY)	2017 September 11	NM2017-30	<p>AND FURTHER BE IT RESOLVED that Council direct Administration to:</p> <ul style="list-style-type: none"> Investigate the current tax forgiveness programs and legislation within large Canadian municipalities and provincial and federal governments; Review the impact to The City's tax revenues and the legal ramifications of cancelling taxes and penalties due to extraordinary circumstances; <p>And return to Council with recommendations, through Priorities and Finance Committee, no later than Q2 2018.</p>	2018 Q2
REVIEW OF COUNCIL'S PROCEDURE BYLAW	2017 July 31	PFC2017-0433	<p>Direct Administration to bring forward a Procedure Bylaw review on the items listed in "Opportunity for Future Improvements", contained on Page 7 of this report, including investigating methods and strategies to streamline public hearing processes and including a review of how public hearings are conducted in other jurisdictions, and report back to Council through the Priorities and Finance Committee with recommendations no later than Q4 2018.</p>	2018 Q4

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
INVESTMENT IN CALGARY'S CORNERSTONE ARTS ORGANIZATIONS	PFC 2017 July 18 Combined Meeting of Council 2017 July 31	PFC2017-0593	Direct Calgary Arts Development to work with the Cornerstones to develop a sustainability framework and report back to Council through Priorities and Finance Committee with an update no later than Q2 2018.	2018 Q2
SCOPING AND PLANNING FOR A SINGLE POINT OF ENTRY TO THE NON MARKET HOUSING SYSTEM	2017 June 06	PFC2017-0221	Direct Administration to proceed with the next phase of implementation for a One Window coordinated intake process and report back to Council through the Priorities and Finance Committee by Q4 2018	2018 Q4
ZBR PROGRAM UPDATE – MAY 2017	2017 May 16	PFC2017-0431	That the Priorities and Finance Committee recommend that Council: Approve Administration's request to defer the report on the Water Resources ZBR implementation plan to Q2 2018.	2018 Q2

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
COMMUNITY ECONOMIC RESILIENCY FUND – INNOVATION FUNDING	2017 March 21	PFC2017-0298	Request that Calgary Economic Development include evaluation results for the first year of the three year pilot as part of the annual report on implementation of the 10 Year Economic Strategy by 2018 May.	2018 May
COUNCIL INNOVATION FUND APPLICATION – WALK21 COMMUNITY MICROGRANTS	2017 March 21	PFC2017-0289	That the Priorities and Finance Committee recommends that Council approve the Council Innovation Fund Application – Walk21 Community Microgrants in the amount of \$172,500 and Administration report back to the Priorities and Finance Committee no later than Q4 2019.	2019 Q4
10 YEAR ECONOMIC STRATEGY UPDATE	Priorities and Finance Committee 2015 December 15	PFC2015-0821	That the Priorities and Finance Committee: 2. Direct Calgary Economic Development Ltd. To provide an annual report on Building on our Energy: an Economic Strategy for Calgary to the Priorities and Finance Committee no later than May each year, commencing 2016 May.	2018 May
BUSINESS TAX CONSOLIDATION – 2016 ANNUAL STATUS REPORT	Combined Meeting of Council 2016 June 13	C2016-0455	That Council: 2. Direct Administration to bring the remaining status update reports and final status update report to the Priorities and Finance Committee in May of each applicable year.	In May of each applicable year.

Status of Outstanding Items for the Priorities and Finance Committee

ATTACHMENT

As at 2018 April 20

ITEM	DATE OF REQUEST	SOURCE	SUBJECT	DATE DUE
CORPORATE AFFORDABLE HOUSING STRATEGY	Regular Meeting of Council 2016 July 25	PFC2016-0512	3. Direct Administration to provide a progress update on the Implementation Plan to Council through the Priorities and Finance Committee by Q2 in 2017 and 2018;	2018 Q2