

Tax Shift Assessment Working Group of PFC

Meeting 2: July 19, 2019

Attendees:

- Mayor Nenshi
- Councillor Druh Farrell
- Councillor Jyoti Gondek
- Robyn Ferguson, MNP
- Dave Mewha, Altus Group
- Paul Fairie, University of Calgary
- Nelson Karpa, City of Calgary
- Katie Paton, Mayor's Office
- Chris Carlile, Ward 11 Office
- Ally Bates, Ward 3 Office

General Discussion:

- A possible solution could be to change assessment limits (requires provincial change)
 - Example: Minnesota has limited market value increase (can't increase more than 15%). It is the most popular and proven to increase stability. Unintended consequences include people believing they are receiving a tax cut.
 - Effective communications team can help during large tax shift revolts. Research proves that if there is effective communication on property tax, the situation is calmed down.
- We are assuming we are stuck with market value assessment, however we could explore a band tax
- We should look into what would happen if we blow up the system
- We should understand the degrees of freedom in the current system
- Edmonton is the best city comparison to Calgary, however, Edmonton has more classes than Calgary; also very hard to compare as different cities supply different services
- Building owners are keeping rent high, but if people can't pay that leaves the building empty
- Do buildings value their air rights?
- What are our goals? Maybe we should work backwards towards it
- Is property tax the only method? What should we be looking at? What should our revenue streams be?
- Vancouver wanted to move to a consumption model but they said it was regressive/difficult to implement
- Should we reward the land form we are seeking? People should pay their fair share of what they use
- We need to be aware of the region; e.g. Rocky View County is currently competing head to head with Calgary with no ability to provide servicing
- Bill 7 is not a simple solution; e.g. asked if we could use Bill 7 to create a "special" class to help small businesses and we were told that would be a big stretch
- Maybe we could help the buildings that are being hit by roads under construction in front of their stores with Bill 7

- We need to make a systemic change in how we budget so that Administration has a cap based on Council's analysis of assessment base
- Is there value for council to see the iterations of what the business community is?

Outcomes:

- Dave Mewha will provide a document that can act as a "common song sheet"
- Nelson Karpa will look at sub class (multi-res class) for future meetings (Possibly September?)
- Councillor Gondek will ensure next meeting focuses on solutions for November budget cycle

Next Meetings:

- July 31st: 9:00-10:00am
- August 27th: 8:00-9:30am
- September 13th: 8:00-9:30am