

Tax Shift Assessment Working Group of PFC

Meeting 4: August 27, 2019

Attendees:

- 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

Key Discussion Points:

- While there is no magic formula to determine the most appropriate proportional split between residential and non-residential properties, we are able to understand the correlation between the two and the fact that proportionality should not necessarily remain static over time.
- Proportionality must be a value judgement of Council based on competitive intelligence, and result in a ratio that abides by the guidelines of the MGA and allows Calgary to remain competitive with other cities.
- This working group has struggled with two main questions:
 - 1) What do we want (which is a values-based question)? *This is Council's decision that the working group can advise on, but cannot make.
 - 2) How do we do it (which is based on tools and math)? *This is the place for this working group to weigh in and offer options with outcomes.
- While this working group must provide some clear direction for Council's decision-making this fall, it has also been recognized as a valuable way for the business sector to work with Administration and Council to facilitate better understanding of each other's realities. For this reason, the working group concept should be recommended for future years with an earlier start date to provide feedback to PFC.
- By October PFC, this working group should provide Council with clear recommendations that are grounded in a set number of scenarios that provide proportionality, ratio and budget threshold. Each scenario will generate specific outcomes, as well as come with specific consequences.
- For September's PFC, Councillor Gondek will provide committee with a verbal update that outlines working group discussions to date and the format of final recommendations for October PFC.
- The following scenarios will be presented as potential recommendations to PFC, accompanied by calculations that show impact to average homeowner and average non-residential property owner:
 - 1) Residential 48%/Non-Residential 52% (this is our current state which is 47/53 but results in 48/52 when the \$60 million in reductions are factored in)
 - 2) Residential 50%/Non-Residential 50%
 - 3) Residential 52%/Non-Residential 48%

Next Steps:

- Councillor Gondek/Ally Bates will work on presentation to PFC (including scenarios/general discussion) and share with working group
- Robyn Ferguson and Dave Mewha to supply spreadsheet
- First half of Sept 13th meeting will be spent on the scenarios, and second half will be dedicated to finalizing scenarios and recommendations to PFC

Next Meetings:

- TSAWG - September 13th, 8:00 - 9:30 am
- PFC - September 17th – verbal update to committee
- (if needed) TSAWG - October 1st, 8:00 - 9:30 am
- PFC – October 8th – final recommendations of TSAWG