

PREVIOUS COUNCIL DIRECTION / POLICY

On 2016 January 25, through Notice of Motion NM2016-04 re: Relief for Calgary Business to Administration, Council adopted the following:

REFER, Moved by Councillor Pincott, Seconded by Councillor Farrell, that Council refer Councillor Woolley's Motion, NM2016-04, "Relief for Calgary Businesses", to Administration for further analysis, and direct Administration to include such analysis as part of the Community Economic Resiliency Fund Report currently being prepared by Administration, and report back to the February 02, 2016 meeting of Priorities and Finance Committee.

On 2016 November 21, through a Motion Arising in respect of Report C2016-0863 Action Plan Mid-Cycle Adjustments, Council adopted the following:

[S]subject to further adopted amendments:

That Council:

1. Set aside \$15 million dollars from the Fiscal Stability Reserve to assist Calgary businesses affected by the economic downturn and direct Administration to return to Council with options for considerations no later than the end of 2017 January; and
2. Keep the In Camera discussions and distribution confidential pursuant to Sections 24(1) (g) and 27(1) of the *Freedom of the Information of the Protection of Privacy Act*.

On 2017 January 23 through C2017-0057, Council adopted the amended recommendations as follows:

1. Approve the Municipal Non-Residential Phased Tax Program (PTP) as outlined in Attachment 1;
2. Approve \$45 million from the estimated 2016 intentional savings in Corporate Programs be transferred to the Community Economic Resiliency Fund for the PTP;
3. Direct that Attachment 2 [Legal Risk Analysis and Outline for Other Program Options Not Recommended by Administration] remain confidential pursuant to Sections 23(1)(b), 24(1)(a), 24 (1)(b) and 27(1)(a) of the *Freedom of Information and Protection of Privacy Act*; and
4. Direct that the In Camera discussion remain confidential pursuant to Sections 23(1)(b) and 27(1)(a) of the *Freedom of Information and Protection of Privacy Act*.

On 2017 November 30, Council adopted the following Motion Arising in consideration of the 2018 Budget Adjustments and in respect to Report C2017-1123 Recommendation 2:

BE IT RESOLVED that Council direct Administration to determine the cost of extending the Municipal Non-Residential Phased Tax Program (PTP) C2017-0057 in order to cap

non-residential property tax increases based on changes to certain non-residential properties' assessed value at 5% for 2018;

BE IT FURTHER RESOLVED that Council direct Administration to fund either the PTP extension or a more efficient way to provide this tax relief to businesses of up to \$45 million from the Fiscal Stability Reserve;

BE IT FURTHER RESOLVED that Council direct Administration to report back to the Priorities and Finance Committee no later than Q1 2018.

On 2018 March 19 in an omnibus motion, Council approved PFC2018-0045 2018 Tax Relief Option Report, directing Administration to implement option 3A; the 2018 Municipal Non-Residential Phased Tax Program.

On 2018 November 14, as part its directions on Report C2018-1158 One Calgary 2019 - 2022 Service Plans and Budgets, Council directed Administration as follows:

3. Come back in Q1 2019 with further options on shift from non-residential assessment base to the residential assessment base as previously directed by Council, including but not limited to:

- a. creation of a small-business assessment class;
- b. continuing shift from non-residential to residential;
- c. one-time money to manage the transition;
- d. advocacy with Federal and Provincial Governments; and
- e. an examination of reserves and other funding sources which may be available.

4. Meet with the Chamber of Commerce, Commercial Real Estate Advisory Committee of Calgary, Economic Development and other interested stakeholders by the end of April 2019 to share ideas and options generated through the tax shift work undertaken in point 3 above. Following this engagement, bring a joint Administration/business community presentation to Priorities & Finance Committee on May 14, 2019.

On 2018 November 19, as part of its directions on PFC2018-1134 2019 Projected Tax Shift Non-Residential, Council adopted recommendations 4, 5 and 6, after amendment:

4. Direct Administration to consult with Calgary Economic Development to undertake a policy, process, and membership gap analysis, regarding Downtown recovery, to ensure alignment and maximize capacity-building, and return to Council with recommendations and budget implications no later than Q1 2019.

5. Direct Administration to convene a Financial Task Force comprised of internal and external experts to develop a strategy on the following:

- a. Short term mitigation
- b. Long term solutions
- c. Revenue options to improve financial resiliency; and

6. Return to Council through Priorities and Finance Committee with the recommended membership, framework, and terms of reference no later than Q1 2019.

On 2019 March 18 with respect to C2019-0352 Downtown Tax Shift Response – Updated, Council adopted the following:

That Council:

- 1) Receive this report for information;
- 2) File the recommendations contained in PFC2019-0148 [Downtown Tax Shift Response];
- 4) Direct Administration to further refine and update the proposed roles and responsibilities of the Financial Task Force and bring an updated Terms of Reference for the Financial Task Force for discussion and consideration of Council after 2019 April 1; and
- 5) Forward this report and direct Administration to return to the 2019 April 1 Strategic Session of Council for the purpose of 2019 tax rate finalization.

On 2019 April 1, with respect to Report C2019-0352 Downtown Tax Shift Response - Updated, Council adopted the following:

1. Direct Administration to prepare a 2019 property tax rate bylaw for Council's consideration on 2019 April 08 – starting with the One Calgary approved budget, and applying tax room of \$27 million to the municipal non-residential property tax in 2019 – effectively producing a residential municipal tax rate increase of 6.67% and a non-residential municipal tax rate decrease of 1.77% in 2019; and
2. Direct Administration to run the same scenario in Point 1 with a 49/51 residential to non-residential split, returning to the 2019 April 08 Combined Council Meeting with two property tax bylaw options.
3. Motion Lost.
4. Direct Administration to develop criteria and process for a Small Business Sustainment Grant to a maximum of \$70.9 million of one-time funding (\$44 million from the Fiscal Stability reserve, and \$26.9 million from the 2017 and 2018 Phased Tax Program funding not required due to appeal resolutions), returning to the Priorities and Finance Committee on 14 May 2019;
5. Direct Administration to continue its work on maximizing value from our assets, returning to Priorities and Finance Committee with an update on 04 June 2019;
6. Direct Administration to explore the creation of a small business assessment class for implementation in 2021 reporting back to the Priorities and Finance Committee in 2019 June;

7. Direct Administration to further refine and update the proposed roles and responsibilities of the Financial Task Force and bring an updated Terms of Reference for the Financial Task Force for discussion and consideration of the Priorities and Finance Committee no later than June, 2019;
8. Direct Administration to report back to Special Council (One Calgary Adjustments) on November 12, 2019 with an update on the status of the Downtown Tax Redistribution in consideration of the 2020 Property Assessment Roll; and
9. Add the Tax Shift Response plan as a standing item to the Priorities and Finance Committee Agendas for the remainder of 2019.
10. Referred - "Establish a working group of the Priorities and Finance Committee to steward the work and report back to Council with update an as needed basis." to the 2019 April 02 Priorities and Finance Committee.

On 2019 May 27 in respect of PFC2019-0590 Small Business Resiliency Grant Program, Council adopted the following:

That Council:

1. Immediately terminate the investigation and/or implementation of this Small Business Resilience Grant program as described in this report, based on the findings in the attached consultant's report, clear feedback from the community of stakeholders and information provided in Attachment 7 [Legal Opinion and Risk Analysis (Confidential)].
2. Direct that Attachment 7 [Legal Opinion and Risk Analysis (Confidential)] remain confidential pursuant to section 27 of the *Freedom of Information and Protection of Privacy Act*, indefinitely. And further direct Administration to provide a public Memo to Council highlighting the key principles contained in Attachment 7.

And, through a Motion Arising, adopted the following:

That Council direct Administration to commit \$70.9 million of one time funding (\$44M from the Fiscal Stability Reserve and \$26.9M within the Budget Savings Account) for strategies related to short term mitigation measures or potential long term solutions for business in Calgary, to be determined through the work of the Financial Task Force (to be formed once the Terms of Reference are approved) and/or the working group, with options to be recommended to Council through Priorities and Finance Committee no later than November 2019.

On 2019 June 4 in respect to PFC2019-0559 Non-Residential Assessment Sub-Classes, PFC directed the following:

That the Priorities and Finance Committee refer Report PFC2019-0559 to Administration to continue to solicit responses from the engagement group, determine the impact of the recently adopted legislation and return to the Priorities and Finance Committee in the next three months.

On 2019 June 10, through the amended Notice of Motion C2019-0782 re: Immediate Tax Relief for Calgary Businesses, Council adopted the following:

1. Council reconsider and rescind its motion on May 27, 2019 “That Council direct Administration to commit \$70.9 million of one time funding (\$44 million from the Fiscal Stability Reserve and \$26.9 million within the Budget Savings Account) for strategies related to short term mitigation measures or potential long term solutions for business in Calgary, to be determined through the work of the Financial Task Force (to be formed once the Terms of Reference are approved) and/or the working group, with options to be recommended to Council through Priorities and Finance Committee no later than November 2019”;
2. Administration identify permanent budget reductions of \$60 million for the 2019 tax year and report back to Council, no later than July 31, 2019, with the details of the proposed reductions for approval, which may include, but are not limited to, reductions and/or the elimination of programs, services and staffing positions and voluntary wage roll-backs;
3. Administration implement a 2019 Phased Tax Program (PTP), in a manner consistent with 2018, using the \$70.9 million as identified in 1 above and the \$60 million as identified in 2 above to provide immediate one-time relief to eligible non-residential property tax accounts. This combined amount of \$130.9 million (one-time) will be used to create a minimum 10% reduction in non-residential municipal property taxes from 2018 to 2019, excluding the effects of the final year of Business Tax Consolidation (approximately 4.2% increase), excluding any 2018 PTP credit, and excluding properties that are subject to non-market changes like property upgrades and expansions;
4. Administration to make available to the eligible non-residential property owner the impact of the 2019 PTP on or before June 28, 2019 on a best effort basis. Administration will ensure eligible PTP participants will see the monthly amount adjusted no later than August 1, 2019, and payment for any remaining qualifying accounts with an outstanding credit balance will be made no later than July 31, 2019;
5. Administration be directed to use the \$60 million in 2019 permanent savings as identified in 2 above to reduce the non-residential tax rate impact for 2020 and beyond to achieve a shift from the non-residential assessment base to the residential base;
6. Council requests the Mayor to send a letter to our partners in the provincial government requesting to engage in discussions regarding taxation and assessment reform.
7. Council leads by example in reducing expenses by adopting a 15% reduction (and subsequent freeze) between \$11,900 and \$14,000 in their respective office expense accounts for the duration of the One Calgary 2019 – 2022 Service Plans and Budget, and the corresponding amount (15%) from the Mayor’s office account.

On 2019 September 17 in respect to the Briefing Report PFC2019-1026 Non-Residential Assessment Sub-Classes Committee:

Approved the report through consent.

On 2019 November 29, Council adopted the following Motion Arising in consideration of Report C2019-1052 2020 Adjustments to the One Calgary Service Plans and Budgets (Verbal),

That Council direct administration to come back with options for a transitional non-residential Phased Tax program for 2020 and 2021 to the Priorities and Finance Committee in Q1 2020.