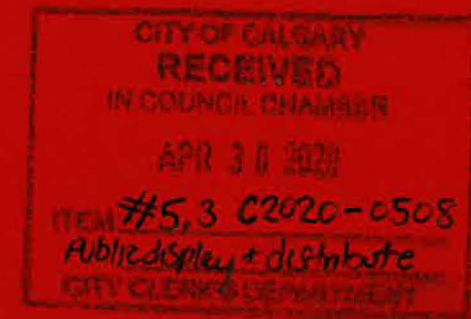


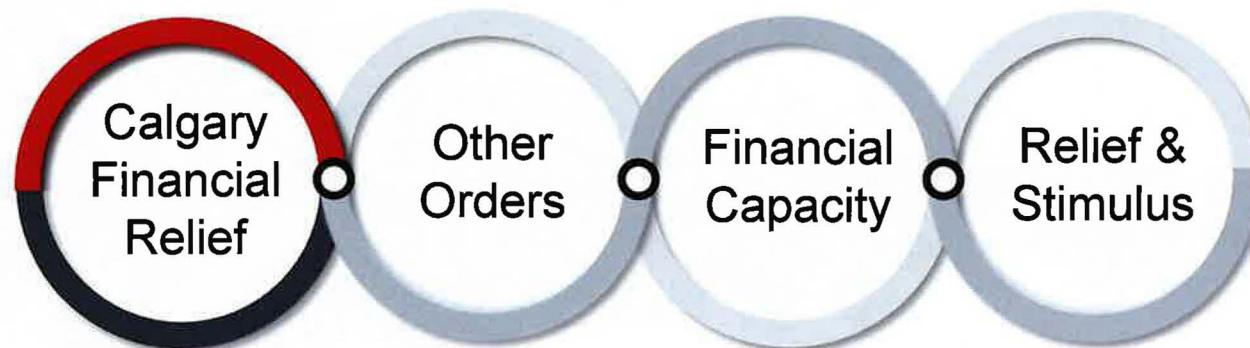


C2020 – 0508 Discussion on Municipal Relief

2020 April 30, ISC: Unrestricted
Strategic Session of Council



City of Calgary Actions to Date Financial Relief



To date:

Taxpayers

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- BIA levy delay to June 30

Planning & Permits

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- Video inspections of occupied residential sites
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Other Payment delays

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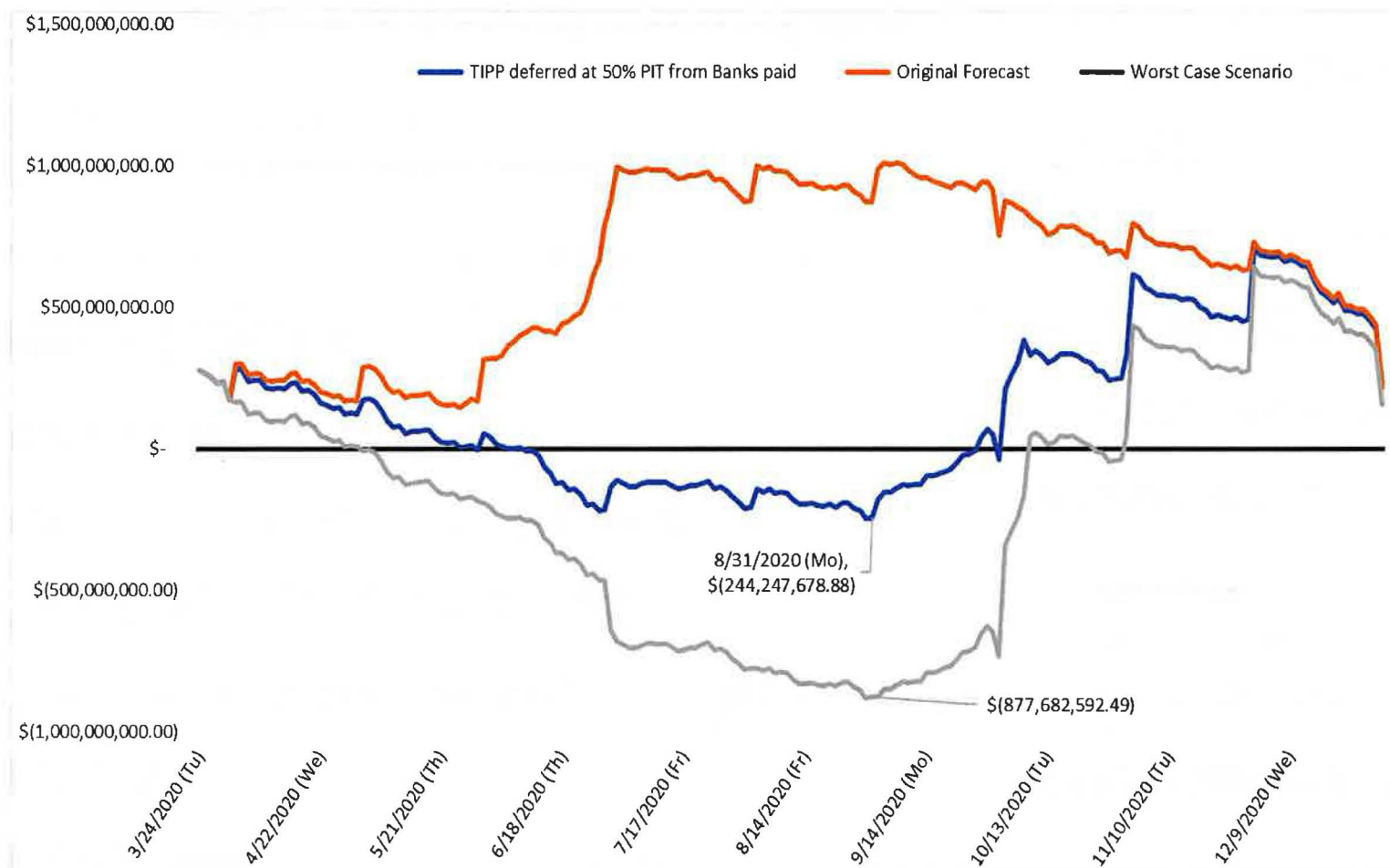
Expenditures

- Increased accessible outdoor space
- Service and staff reductions
- Scenario building

Tenants

- Municipal Tenant Assistance Program

Property Tax and Utility Bill Payment Delay Cash Flow Impacts



- Impact of GoA's provincial property tax 6-mos delay (non-res)
- Impact of Water & WRS services billing delay (90 days)
- Proposed City's TIPP and lump sum payment of res and non-res tax delay until 2020 Sept 30

COVID-19 (Coronavirus): Support for individuals

Financial support

Learn more about the financial support offered by the provincial and federal governments as well as The City programs and services still available.

Property tax relief

Property tax relief to support citizens and businesses.

Low income support

Support and information for low income Calgarians

Access to food

Find access to food.

Seniors support

These are a list of important phone numbers that seniors can use to gain access to information, services or support.

Newcomers support

Information and links to services for immigrants and newcomers.

Emotional wellness

Information and links to emotional and mental health resources

Children and youth

Support resources for children and youth

Indigenous resources

Links and information for Indigenous Resources

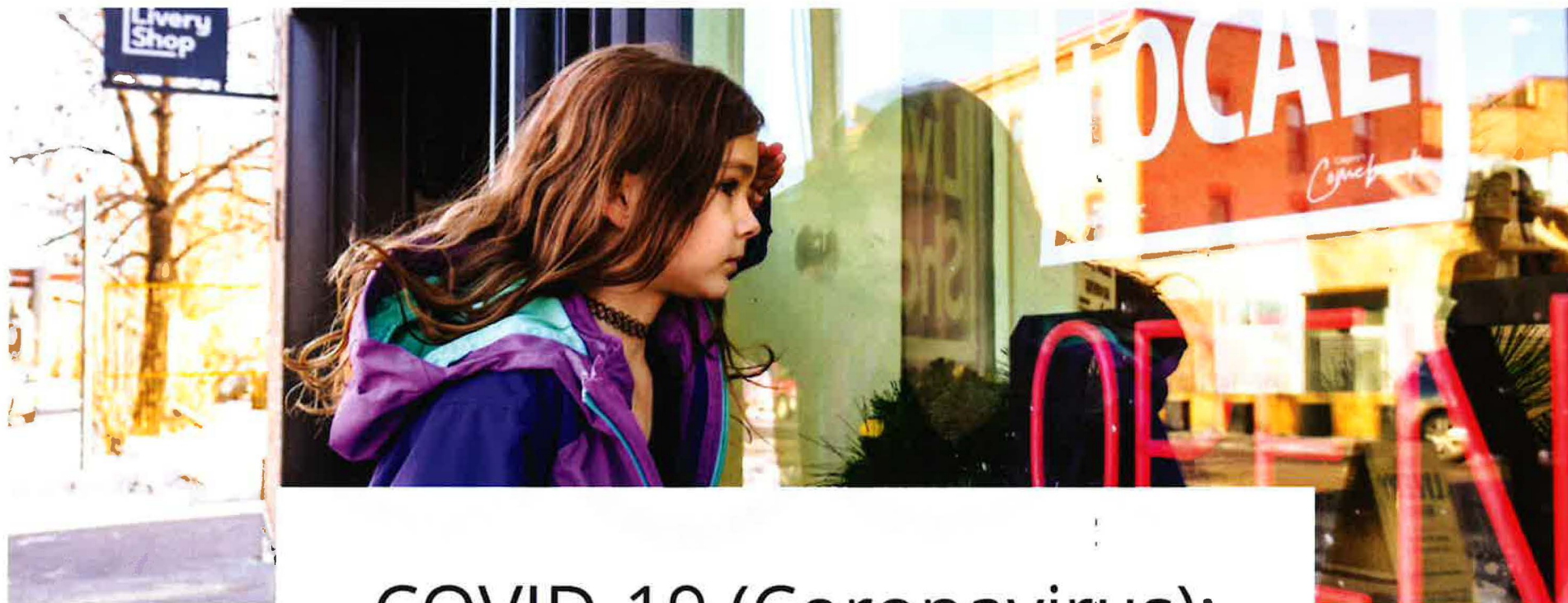
<https://www.calgary.ca/CSPS/cema/Pages/Support-for-Individual.aspx>

COVID-19 (Coronavirus): Support for community partners



<https://www.calgary.ca/CSPS/cema/Pages/COVID-19-Community-Partners.aspx>

COVID-19 (Coronavirus): Support for businesses



COVID-19 (Coronavirus): Support for businesses

<https://www.calgary.ca/CSPS/cema/Pages/businesses-and-COVID-19.aspx>

Responses From Other Orders of Government



Federal Policy Response Package

Measure	Beneficiaries	2020-2021 Cost/Impact	Timing	Authority Required
Fiscal Policy – Income Support Measures	Mostly Households	\$27.4 billion	Various (below)	Various (below)
Emergency Care Benefit	Households	Up to \$10 billion	Early April	Royal Assent
Emergency Support Benefit	Households	Up to \$5 billion	Early April	Royal Assent
GST Credit	Households/ Businesses	\$5.5 billion	By Early May	Royal Assent
Enhanced Canada Child Benefit	Households	\$1.9 billion	May	Royal Assent
Temporary Business Wage Subsidy	Households/ Businesses	\$3.8 billion	Immediately after legislation	Federal Legislation
Canada Student Loan Payments	Households	\$190 million	Early April	Royal Assent
Support for Indigenous Communities	Households	\$305 million	April	Royal Assent
Support for people experiencing homelessness (through Reaching Home)	Households	\$157.5 million	April	Royal Assent
Support for women's shelters and sexual assault centres including on reserve	Households	\$50 million	April	Royal Assent
Lower Registered Retirement Income Fund Minimum Withdrawal Amounts	Households	\$495 million	Immediately after legislation	Federal Legislation
Fiscal Policy – Flexibility for individual and corporate taxpayers (tax payment deferral until September)	Households/ Businesses	\$55 billion	Immediately	Existing Authority
Monetary Policy – Business Credit Availability Program (BCAP) through BDC and EDC – Largely Targeted at Small and Medium-sized businesses	Businesses	\$10 billion +	Immediately	Existing Authority
Monetary Policy – Credit and liquidity support through financial Crown corporations, Bank of Canada, OSFI, CMHC and commercial lenders (e.g., Domestic Stability Buffer, Insured Mortgage Purchase Program, Banker's Acceptance Purchase Facility)	Households, Businesses	In the range of \$500 billion	Immediately	Existing Authority

Provincial Policy Response Package

	Measure	Beneficiaries	2020-2021 Cost/Impact	Timing
1.	Additional Existing Funding		\$560 million	
1a	Seniors and Vulnerable Groups	Households	\$60 million	Immediately
1b	Health Care	Households	\$500 million	Throughout 2020-21 fiscal
2.	Support Targeting Households and Businesses		>\$105 million	
2a	Emergency Isolation Support (one time \$1,146 if no income)	Households	\$50 million	April
2b	Utility Payment Deferral (for 90 days) and no disconnections	Households/ Businesses	N/A	March-June 2020
2c	Alberta Student Loans (6-month interest-free moratorium)	Households	N/A	Immediately
2d	ATB Financial (6-month deferral on loans, lines of credit, mortgages)	Households/ Businesses	N/A	Immediately
2e	Education property tax freeze (reversing a 3.4 per cent increase)	Households	\$55 million	June
2f	Job protected leave for employees (up to 14 days)	Households	N/A	Immediately
3.	Support Targeting Businesses		\$1.85 billion	
3a	Provincial Corporate Income Tax Deferral (until August 31, 2020)	Businesses	\$1.5 billion	March-August 2020
3b	WCB Premium Payment Deferral (with Alberta Government covering 50 per cent of 2020 WCB premiums for small/medium businesses)	Businesses	\$350 million	Immediately to 2021
4.	Support Targeting the Energy Sector		\$>213 million	
4a	Funding the Alberta Energy Regulator Levy for 6 months	Businesses	\$113 million	March-September 2020
4b	1-year extension for mineral agreements expiring in 2020	Businesses	N/A	2020-2021
4c	Orphan Well Association loan (announced March 2, 2020)	Businesses	\$100 million	Throughout 2020-21 fiscal

Financial Capacity Reserves, Debt and Liquidity



Financial Capacity

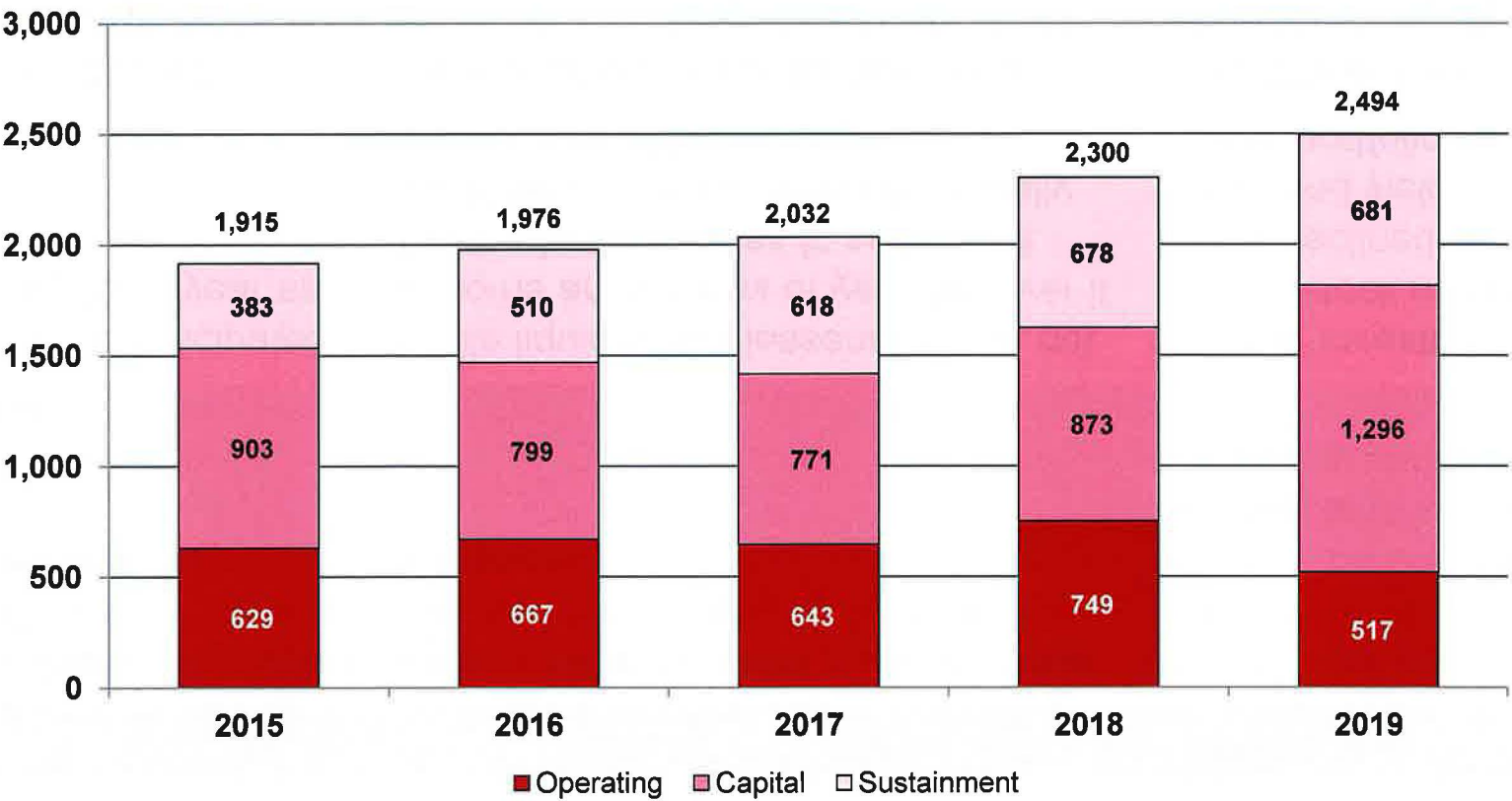


Reserve, Debt and Investment Impacts

Reserves	Debt	Investments
<p>Consolidated balance that is forecasted to be approximately \$2.6 billion. Nearly all are restricted in their use.</p> <p>Operating \$602,803 Capital \$1,420,922 Sustainment \$689,550</p>	<p>Lowered interest rates could increase City borrowing capacity for new debt issuances</p>	<p>Investment portfolio – down since December 2019 on a mark to market basis. Losses realized when investments are sold. Currently analyzing variance from cost</p>
<p>FSR uncommitted balance anticipated at \$129 million including 2019 year end surplus</p>	<p>While liquidity has lessened it has not become an issue as of yet. However if the market continues to suffer that could be a concern which potentially impact cost of borrowing</p>	<p>10% of investments are exposed to equity stock market. As equity markets have declined, so have interest rates and bond yields meaning other aspects of the portfolio have seen market gains</p>
<p>Reserve restrictions are Council directed, Council can change those restrictions</p>	<p>Cannot take on debt for operating purposes with long repayment terms</p>	<p>The City is a well-diversified, long-term investor so equity market volatility is part of what we expect. The remaining 90% is earning stable positive returns</p>

Reserves as at December 31

(\$ millions)



Reserves – Corporate Summary of Uncommitted

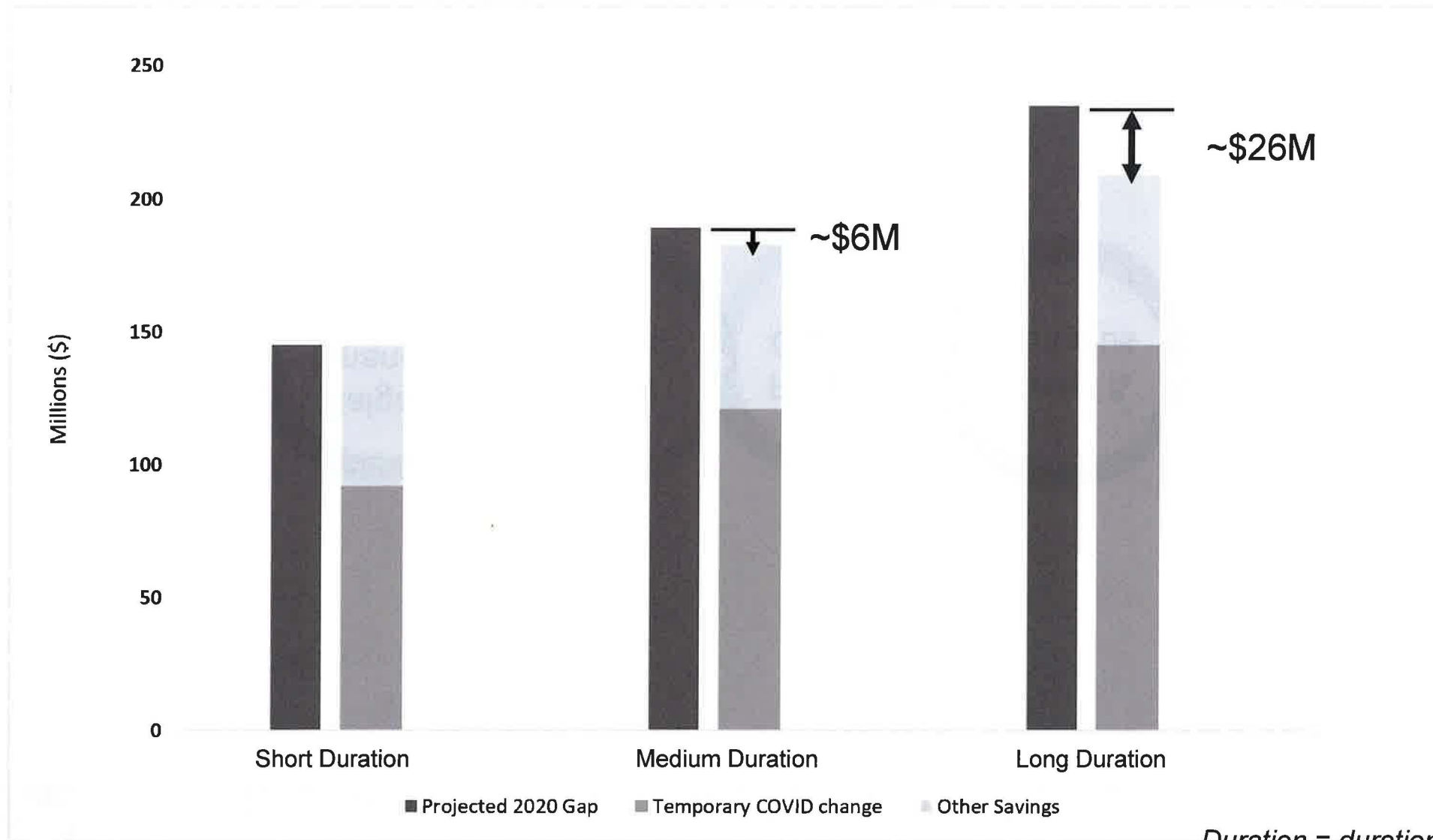
	2019 balance	Uncommitted	Comments
ENMAX Dividend Stabilization Reserve	\$15M	\$15M	Available in the event the dividend does not meet minimum budget level
Reserve for Future Capital	\$357M	\$51M	Contingency/emergency funding and 2019 favorable variance for Franchise Fees
Debt Servicing Reserve	\$53M	\$53M	Base minimum still available
Lifecycle Mtc & Upgrade	\$246M	\$22M	Transfer from the Debt Servicing Reserve - funding above the minimum balance not required for Principal & Interest

Administration does not recommend these reserves are considered for relief measures at this time and to be held for capital projects or in the event the ENMAX dividend is below minimum budgeted level

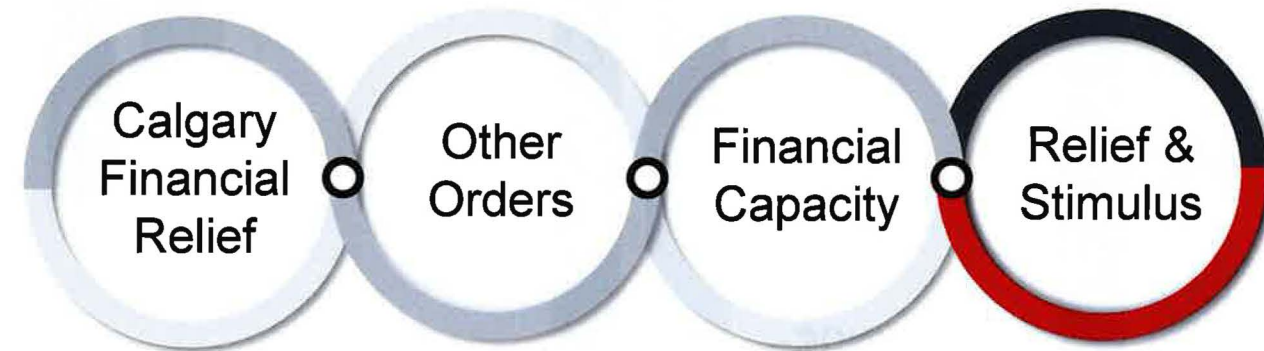
Reserves – Corporate Summary of Uncommitted

	2019 balance	Uncommitted	Comments
Fiscal Stability Reserve	\$536M	\$129M	5% minimum maintained at \$170M Flood commitment \$81M
Budget Savings Account	\$91M	\$23M	

Narrowing the gap

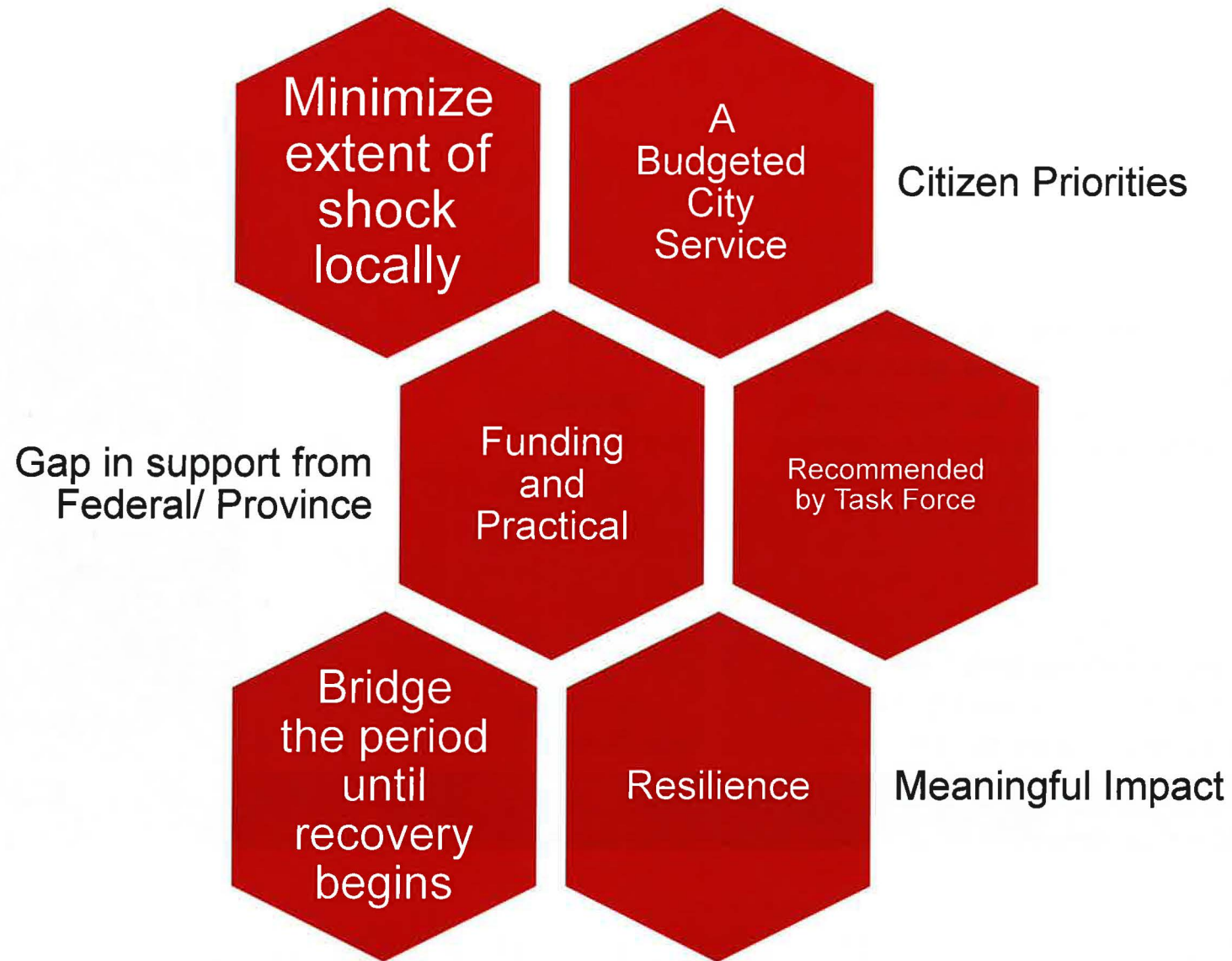


Municipal Relief and Stimulus Considerations





Municipal Relief – Considerations during Response

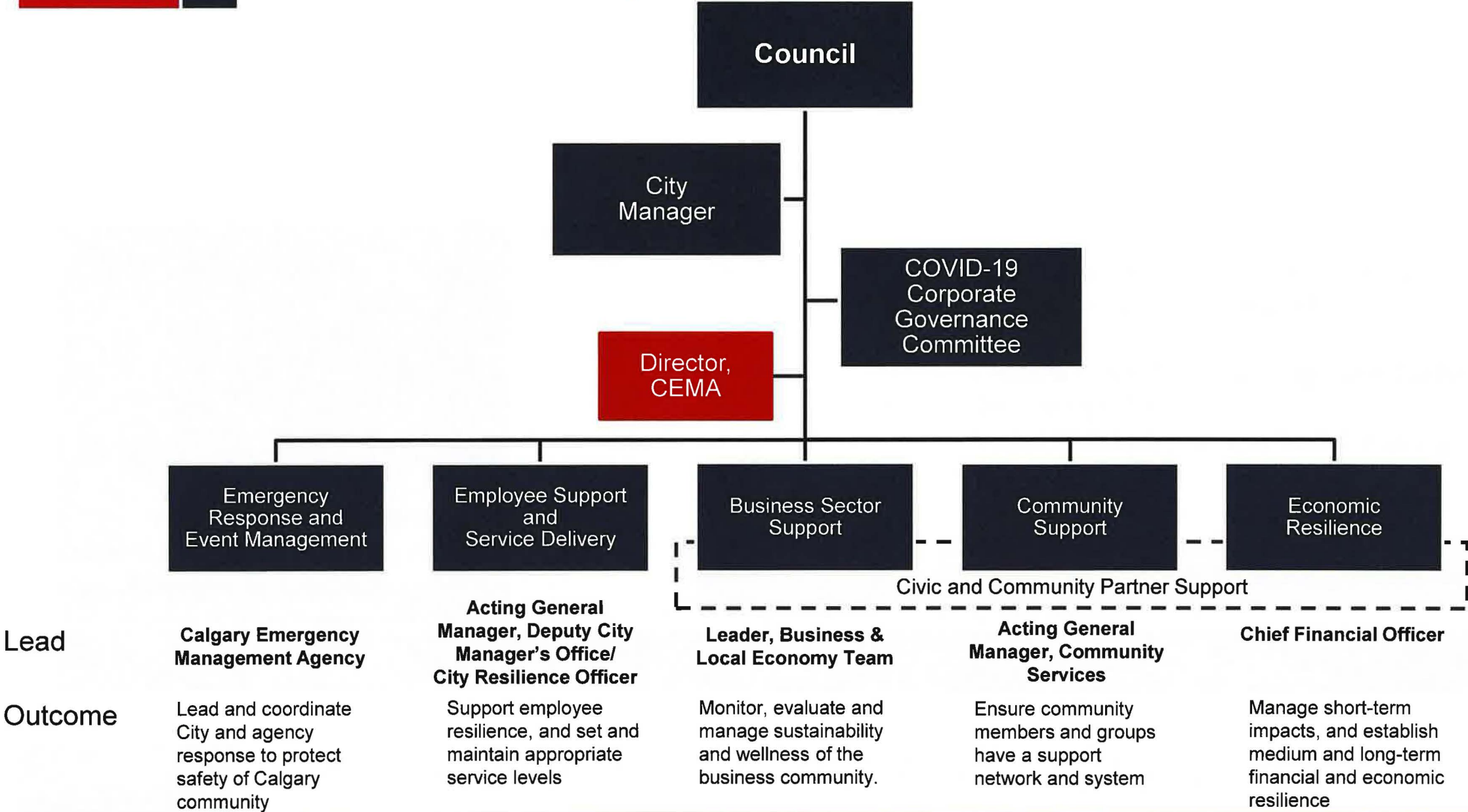


Item Description	City Cost \$	Aligns to considerations	Key details
Reduce driver and plate fees for taxi and limousine by 50 per cent Timeframe: 1 year	\$1.1 M	<ul style="list-style-type: none"> Funding and Practical 	<ul style="list-style-type: none"> Provide financial relief to drivers and plate holders in time of economic distress due to COVID-19 impacts To be funded from the Livery Transport Service Sustainment Reserve
Waive business licence renewal fee Timeframe: 1 year	\$6.6 M	<ul style="list-style-type: none"> Funding and Practical 	<ul style="list-style-type: none"> Reduce financial burden on businesses and promote a business-friendly environment This is a self-supported service line To be funded from the Business Licence Sustainment Reserve

Immediate Business Support Measures – City Building

Item Description	City Cost \$	Aligns to considerations	Key details
Planning & Development - 2020 Deferral of fee payment, waiving fees and enhanced flexibility on Building Permits	\$3M	<ul style="list-style-type: none"> Gap in support from Federal/Province Funding and Practical 	<ul style="list-style-type: none"> Cash flow/liquidity Financing cost/Debt impact/Forgone return - Deferred Fees - Est \$1M Waived Fees – Est. \$2M Economic stimulus component Avoiding cancellation of projects and forfeited portion of fees Certain building permits will have greater flexibility To be funded from Planning and Development Sustainment Reserve

COVID-19 City of Calgary Governance



For Consideration - Community Groups - aid to non-profits and partners

Item Description	\$ amount	Aligns to considerations	Key details
Support Community Associations and social recreation groups to cover daily expenses including utilities, insurance and other non-negotiable expenses by adding funds to the Community Sustainability Reserve (CSR).	\$6 million (bringing the total CSR to \$7.8M)	<ul style="list-style-type: none"> • Citizen priorities • Meaningful impact • Funding and Practical 	<ul style="list-style-type: none"> • With facilities closed, these organizations do not have the ability to cover daily expenses and their long-term sustainability is threatened. In the event these organizations are no longer financially viable, there is a risk The City would take on their assets and associated liabilities. • Recommended to be funded by the Fiscal Stability Reserve
Re-establish the Emergency Resilience Fund originally instituted by Council in 2015 and increase eligibility to include Civic Partners experiencing decreased revenues.	\$15 million	<ul style="list-style-type: none"> • Meaningful Impact • Resilience • Funding and Practical 	<ul style="list-style-type: none"> • Increase capacity of agencies to respond to immediate need in the community and funds for Civic Partners to sustain operations. • Recommended to be funded by the Fiscal Stability Reserve



For Consideration – Additional Business Support Measures

Item Description	City Cost \$	Aligns to considerations	Key details
Small Business Support team	No additional costs	<ul style="list-style-type: none"> • Resilience • Funding and Practical 	<ul style="list-style-type: none"> • Introduction of a Case Manager to develop guidelines to support business during the pandemic • Specifically designed to support businesses pivoting their business model as they re-open
Expand Centre City Enterprise Area to all commercial properties (pilot)*	TBD	<ul style="list-style-type: none"> • Resilience • Funding and Practical 	<ul style="list-style-type: none"> • Remove processes and reduce barriers of entry for businesses as they re-populate physical space • Helps decrease vacancy rates and duration of vacancy, making it as easy as possible to do business anywhere in Calgary. • Cost savings will vary for businesses • Time savings, reduces regulatory risk and uncertainty which increase confidence when investment decisions are being made.

* Analysis on the option to expand the Centre City Enterprise Area development permit exemptions must also include a risk assessment and other considerations - i.e. timeline for exemption 18 months vs 24 months, and consideration of loss of revenue from change of use and/or additional development permits/levies.



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- Service and staff reductions
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- Municipal Tenant Assistance Program

To date (continued):

Citizens

- Adapted service delivery to ensure basic needs of Calgarians are met and services remain available
- Extension of the Low Income transit pass for the Months of April and May
- Bridged parking reservations for park and ride lots (to protect the reservations of users)
- Adjusted enforcement strategies for street cleaning (to avoid giving tickets to residents)
- Increased flexibility on streets closure to allow for additional construction
- Used larger transit vehicles to support social distancing for customers
- Responding to the pandemic response

Recommendations

That Council:

1. Direct Administration to return to the 2020 May 11 Strategic Council Meeting with a report on Municipal Relief;
2. Reconsider and approve for one year the following fees:
 - a) Renewal fees for business licenses \$0;
 - b) A 50% reduction for taxi driver and limousine driver license fees; and
 - c) A 50% reduction for taxi plate and limousine, and

Recommendations continued

That Council:

3. Approve the following temporary amendments to the 2020 Planning Applications Fee Schedule to take effect 2020 May 1 up to and including 2020 October 31:
 - a) Residential - New Home Occupation – Class 2 - \$0 n/a GST
 - b) Commercial/Industrial/Mixed Use – Change of Use- Permitted use (no relaxations, no changes to site plan) - \$0 n/a GST
 - c) Commercial/Industrial/Mixed Use – Change of Use-Discretionary use or relaxations required (no changes to site plan) - \$0 n/a GST
 - d) Certificates of Compliance – Residential – single, semi-detached, duplex - \$0 per parcel n/a GST
 - e) General – CPAG pre-application - \$0 n/a GST
4. Approve the permanent deletion of the \$125,000 deposit and cost recovery fees for Combined Outline Plan, Land Use and Ancillary Applications in areas under a Growth Management Overlay in the 2020 Planning Applications Fee Schedule.