

## Fee Waiver Authorization for COFLEX Initiatives

### RECOMMENDATION(S):

That Council provide Administration the one-time authority through the COFLEX program to waive fees that would otherwise be required by previously approved bylaws, and that this authority be granted for the following COFLEX initiatives:

- Livery Transport Services Renewal - Waive taxi and limousine driver renewal fees and reduce plate licence renewal fees by 50 per cent;
- Plus 15 Commercial Use of Easement – Waive annual fees collected from Plus 15 Commercial Use of Easement Agreements.

### HIGHLIGHTS

- Granting authority to Administration to waive fees for two COFLEX initiatives will let The City provide rapid funding relief for a range of businesses that continue to be impacted by the COVID-19 pandemic.
- **What does this mean to Calgarians?** The City is able to direct COFLEX funding to support hard-hit businesses in Calgary while avoiding any direct financial impact to The City or taxpayers.
- **Why does this matter?** Helping to reduce the financial burden on businesses during the pandemic stabilizes Calgary's economy now, and will help speed Calgary's recovery after the pandemic.
- The COFLEX program was approved by Council in 2020 November, giving Administration the flexibility to quickly allocate relief funding from the Municipal Operating Support Transfer (MOST) grant provided by the Government of Alberta and Government of Canada.
- Along with a range of other initiatives, several COFLEX applications have been approved by Administration that involve waiving fees for businesses that continue to be impacted by COVID-19.
- Previously approved bylaws and fee schedules for two of these COFLEX initiatives do not grant Administration the authority to waive the fees, and require Council approval.
- Other relief options outside COFLEX continue to be considered, including Phased Tax and Business Grant programs.
- Strategic Alignment to Council's Citizen Priorities: A well-run city
- Background and Previous Council Direction is included as Attachment 1.

### DISCUSSION

Since the start of the COVID-19 pandemic, Administration has worked to provide a rapid response to the impacts of the pandemic when possible. Council approval of the COVID-19 Governance Structure guided Administration to:

- Be responsible partners to help “flatten the curve” and protect human safety.

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- Support our employees.
- Maintain appropriate City of Calgary services to our community.
- Prepare for the resilience of our organization and our community.

Administration implemented a range of actions in 2020. Examples include temporary on-street patios and waiving fees for heavily impacted groups such as livery transport services. In some cases, such as fee waivers for livery services, the financial shortfall was funded from reserves, while other costs were absorbed within existing budgets.

In November 2020 Council approved the COFLEX program, as outlined in Attachment 1. This has enabled Administration to implement a flexible and nimble approach to optimize the MOST funding and ongoing COVID-19 expenditures. The COFLEX program focuses on four areas to achieve maximum benefit:

- **Coping with COVID** – the City is nimble in helping our people, community & businesses
- **Supporting our Partners** – the City lends a hand to our civic & community partners
- **Preparing for Uncertainty** – the City is proactive & flexible in its pandemic response
- **Planning for Life After COVID** – the City is ready to move quickly to ‘reactivate Calgary’

The Executive Leadership Team (ELT) has delegated responsibility for approving COFLEX applications to the COVID Executive Response Group (CERG), which reviews applications on a weekly basis to ensure that COFLEX funds are allocated quickly.

Several initiatives have applied for COFLEX funding in order to avoid further depleting existing reserves, or impacting base operating budgets. Administration currently does not have the authority through bylaw to unilaterally waive fees for two of the approved COFLEX initiatives.

- Livery Transport Services Renewal Waiver
  - Waiving 100% of driver license renewal fees and 50% of plate renewal fees
- Plus 15 Commercial Use of Easement Agreement Fees
  - Waiving fees for portions of Plus 15s leased by businesses

Additional details about these COFLEX initiatives is provided in Attachment 2.

Administration is recommending that one-time authority be granted to waive these fees via resolution. While this is not the typical recommended approach, it is favored in this case as the most expedient solution.

## **STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)**

- Public Engagement was undertaken

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- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder or customer dialogue/relations were undertaken

CERG membership includes representation from the Business & Local Economy team in the City Manager's Office, which provides regular insights into the needs of local businesses in Calgary. For the COFLEX initiatives requiring Council approval, Administration is in regular contact with the taxi and limousine industry as well as businesses leasing space on Plus 15s. When fees were reduced in 2020, the taxi and limousine industry provided positive feedback that this gesture from The City was supported and appreciated since trips have dropped as much as 78%.

**IMPLICATIONS**

**Social**

The COFLEX initiatives described in the Discussion section support individual businesses / service providers by reducing business costs. For Livery Transport Services, non-plate holders will save \$141, while plate holders will save \$506 (limo) to \$597 (taxi) in renewal fees this year.

These COFLEX initiatives will also increase the opportunity for citizens to engage in responsible social and retail interactions.

**Environmental**

Not Applicable.

**Economic**

The COFLEX initiatives described in the Discussion section support economic recovery by improving resilience for local businesses and building short-term certainty for businesses to begin investing in Calgary's future.

**Service and Financial Implications**

No anticipated financial impact

For each of the initiatives described in the Discussion section, the financial impact of fee waivers will be fully offset through COFLEX program funding. Funding for the program is derived from a combination of the MOST grant program and operational savings achieved through The City's COVID response. As a result there will be no net budget impact.

CERG has approved the following COFLEX funding for the fee waiver initiatives requiring Council approval:

- Livery Transport Services Renewal Waiver - \$1,406,000
- Plus 15 Commercial Use of Easement Fees - \$200,000

**RISK**

Without Council authorization, the Livery Transport Services and Plus 15 easement initiatives either would not be able to proceed, or would be significantly delayed. This would prevent The

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City from providing timely and important financial relief to a range of businesses that continue to be impacted by the COVID-19 pandemic.

#### **ATTACHMENT(S)**

1. Previous Council Direction, Background
2. Summary of COFLEX Initiatives Involving Fee Waivers

Department Circulation

General Manager	Department	Approve/Consult/Inform
Doug Morgan	Transportation	Approve
Katie Black	Community Services	Consult