

## NOTICE OF MOTION CHECKLIST

The checklist is a tool intended to support the sponsor(s) of a Notice of Motion. The items listed below are important considerations when crafting and submitting a Notice of Motion. It is also intended to support other Members of Council, as the same considerations are important when reaching a decision on a Notice of Motion.

The checklist is therefore an opportunity for the sponsor(s) to:

- consider what advice might be helpful to them in formulating their proposal; and
- share key points about the advice received with their Council colleagues, to inform their deliberations.

This document is recommended to be provided to City Clerks alongside every Notice of Motion and will become part of the Corporate record. It is at the discretion of the sponsor(s) to decide with whom to consult and what information to include.

Title of the Motion: Targeted relief to the hotel/motel and hospitality industries due to the effects of COVID-19

There are two classifications of a Notice of Motion (Check the one that applies):

Regular

Urgent (Include details in Urgency Rationale box below)

Is this Notice of Motion Confidential? (Include details in Procedural box below)

### Financial and Other Resource Capacity

This motion would require the deferral of collecting some tax revenues, forgoing investment income from the period of time between taxes coming due and being paid under this scheme, expenditure from the Fiscal Stability Reserve, and the risk of non-payment.

Council previously approved a similar deferral in 2021. The same revenue will still be collected by The City. The extra time gives property owners a chance to pay what they owe, which is preferable to property owners being unable to pay and falling into arrears or being forced to close.

The City assumes the risk of some property owners being unable to pay either their 2021 or 2022 property taxes if they participate in this program, including assuming the risk of non-payment of the provincial share of taxes. However, The City already faces the risk of property owners being unable to pay due to the financial strain they are currently experiencing.

While municipal reserves need to be spent carefully, a significant portion of the Calgary economy is affected by the tourism and hospitality sector. Restored consumer confidence in travel will be vital for Calgary's economic recovery. The use of this reserve is consistent with the reserves purpose: "A contingency fund for operational emergencies, urgent or contingency capital expenditures, and to compensate for unplanned revenue reductions with

significant financial impacts; and Investment income from the reserve would be used to fund one-time operating budget expenditures.”

Assessment, Finance and Tax have reviewed this Notice of Motion.

Legal / Legislative

There is the risk of a legal challenge on the equity of Council providing a tax deferral to a particular class of taxable properties. However, Council has previously used the same mechanism to defer taxes. The businesses affected are among the hardest hit by COVID-19-related financial strain operating in Calgary.

Law has reviewed this Notice of Motion.

Technical Content

N/A

Procedural (Including reasons for confidentiality)

City Clerks has reviewed this Notice of Motion.

Other Considerations

There is the risk that other classes of properties will seek the same type of relief more frequently in the future. However, the circumstances faced by hotel/motel property owners are unique and are a direct result of the circumstances of the COVID-19 pandemic. The hotel/motel industry faces additional pressures from the COVID-19 pandemic compared with other businesses. These factors are entirely outside the industry’s control, and include restrictions on travel and decreased consumer confidence. A deferral for property owners in this industry ensures space remains available for visitors to our city for conventions, events, business travel, and tourism.

Urgency Rationale
N/A