



Tax Incentives for Renewable Generation Developments on Brownfield Sites

EC2023-1120

October 11, 2023



Previous Council Direction

On 2023 February 14, Council directed Administration through a Notice of Motion (EC2023-0131) to explore the ATCO Solar Farms located on brownfield sites as a pilot for future incentive programs on similar brownfield sites and return to Council with recommendations, next steps, and lessons learned as a part of a larger program by Q4 2023.



Recommendations

That Executive Committee recommend that Council:

- 1) Adopt the proposed Council Policy 'Tax incentives for renewable power generation developments on brownfield sites' in Attachment 2.

That Executive Committee:

- 2) Forward this report to the October 17 Regular Meeting of Council.



Current Situation

- Developers of renewable energy assets are challenged to find parcels of land suitable for development of their assets such as solar farms within city limits.
- The City does not have existing incentives; however, other jurisdictions in Alberta have provided incentives to these types of developments that have helped inform the draft Council Policy and the future bylaw.
- The draft Council Policy for tax incentives for renewable generation developments on brownfield sites enables The City to attract investment and reduce barriers for developers by providing a municipal tax incentive for these projects.
- To support renewable development within city boundaries, the draft Council Policy will align with the City of Calgary Corporate Approach to Property Tax Incentives, the Climate Strategy: Pathways to 2050, and acts as a pilot program for broad tax-based incentives for The City to attract new business

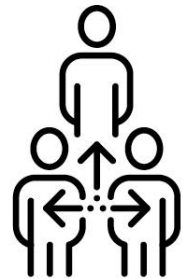


What are we trying to accomplish?



Support new utility scale renewable developments on brownfield sites within city boundaries

Reduce GHG emissions



Generate investment and economic growth in Calgary



- Why Municipal Tax Incentives?
 - Significantly influential on financial business case for developers
 - Attracting new development results in a long-term positive impact on taxes for The City
 - Municipal tax incentives are used in other jurisdictions to attract development
 - The Policy is aligned to “The City of Calgary Approach to Property Tax Incentives Pursuant to Bill 7”
 - Part of a larger financial toolkit available to The City to incentivize climate-related outcomes



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