

Background and Previous Council Direction

Background

Approximately 680 properties were annexed from Rocky View County (RVC) into The City of Calgary in 2007. Under the terms of Order in Council 333/2007 (the “Annexation Order” – Attachment 2) and Municipal Government Board 079/07 (the “Board Order” – Attachment 3), these properties continued to be taxed at the RVC rates for 15 years as a transitional measure unless an action specified in the Annexation Order (e.g. subdivision, change in land use, connection to City water/sewer) triggered a property’s earlier transition to The City of Calgary’s tax rates.

The City does not have the authority to modify the terms of an annexation order so the tax rate must transition in accordance with the provincial order. In 2022 Council decided to cancel 75% of the municipal tax differential between The City of Calgary’s tax rates and Rocky View County tax rates pursuant to section 347(1) of the MGA, that Council considered it equitable to do so. Council also directed administration to return in 2023 and 2024 for the consideration of a respective 50% and 25% municipal property tax differential cancellation, as section 374(1) can only provide current-year cancellations. Council did not cancel 50% of the differential in 2023.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2023 May 9	C2023-0483	<p>Tax Relief for Residential Properties Annexed by Annexation Order 333/2007</p> <p>Council heard the presentation regarding the 2023 cancellation of the municipal property tax differential for properties annexed by Annexation Order 333/2007, with a recommendation to receive the report for the corporate record.</p> <ul style="list-style-type: none"> • Councillor Spencer moved an amendment to delete the Recommendation and replace it with the following: That Council cancel 50% of the municipal tax differential for the residential portion of eligible properties based on the criteria adopted by Council in response to EC2022-0367 for 2023. • The Chair ruled the amendment out of order, and it was withdrawn. • Council passed the recommendation to receive the report for the Corporate Record. • Councillor Spencer moved the following Motion Arising: That Council cancel 50% of the municipal tax differential for the residential portion of eligible properties based on the criteria adopted by Council in response to EC2022-0367 for 2023. • The chair ruled the Motion Arising out of order. The ruling was upheld.
2022 May 10	EC2022-0504	<p>Tax Relief Options for Residential Properties Impacted by Annexation Order 333/2007</p> <ul style="list-style-type: none"> • Council decided to: <ol style="list-style-type: none"> 1. Cancel 75% of the municipal tax differential for the residential portion of eligible properties based on the criteria specified in Attachment 5 (and in the sub-bullets below) for 2022; <ul style="list-style-type: none"> ▪ The property did not trigger clause 7(1) of the Annexation Order and continued to be taxed using the municipal tax rate established by Rocky View County up to and including the 2021 taxation year; ▪ The property contains a dwelling unit and is assessed as residential in accordance with MGA s.297; ▪ The property has not been connected to City of Calgary water or sanitary sewer services; and

		<ul style="list-style-type: none"> ▪ The property is designated as S-FUD under the Land Use Bylaw. <p>2. Direct Administration to report back to Council through the Executive Committee in Q2 2023 for Council to consider cancelling 50% of the municipal tax differential for the residential portion of eligible properties based on the criteria specified in Attachment 5 for 2023; and</p> <p>Direct Administration to report back to Council through the Executive Committee in Q2 2024 for Council to consider cancelling 25% of the municipal tax differential for the residential portion of eligible properties based on the criteria specified in Attachment 5 for 2024.</p>
<p>2022 March 29</p>	<p>EC2022-0367</p>	<p>Notice of Motion: Tax Relief Options for Residential Properties Impacted by Annexation Order 333/2007</p> <p>Council passed the notice of motion forwarded to it by the Executive Committee.</p>
<p>2022 March 15</p>	<p>EC2022-0367</p>	<p>Notice of Motion: Tax Relief Options for Residential Properties Impacted by Annexation Order 333/2007</p> <p>Executive Committee forwarded a Notice of Motion to Council for Consideration with the following operative clause:</p> <p>NOW THEREFORE BE IT RESOLVED that Council direct Administration to bring forward recommendations to the Executive Committee in early Q2 of 2022 to provide tax relief measures for any property that was annexed pursuant the MGB Order and Order in Council 333/2007 and which meets all the following criteria:</p> <ul style="list-style-type: none"> • The property did not trigger clause 7(1) of the MGB Order and Order in Council 333/2007 and continued to be taxed using the municipal tax rate established by Rocky View County up to and including the 2021 taxation year; • The property contains a dwelling unit defined as a structure that contains two or more rooms used or designed to be used as a residence by one or more persons, a kitchen, living, sleeping and sanitary facilities as defined in the Land Use Bylaw 1P2007; • The property has not been connected to City of Calgary water or sanitary sewer services; and • The property is designated as the S-FUD land use district.