



Report Number: EC2024-1116

Meeting: Regular Meeting of Council

Meeting Date: 2024 October 29

NOTICE OF MOTION

RE: Designated Historical Resource Property Tax Cancellation and Subclass

Sponsoring Member(s) of Council: Councillor Carra

Calgary City Council recognizes that encouraging the designation of heritage properties will lead to the proper restoration and conservation of those properties in a way that revitalizes the properties and therefore the surrounding areas;

AND WHEREAS The City of Calgary's 2008 Heritage Strategy includes the explicit goal to support the identification, protection and management of Calgary's historic resources, and identifies the aesthetic, historic, scientific, cultural, social and natural value of historic resources, the positive role they play in creating a livable, thriving and desirable place to live and invest, and establishes the preservation of these resources as part of responsible city building;

AND WHEREAS legal designation as a Municipal Historic Resource protects against demolition, regulates character defining elements and guides property owners on how to make appropriate alterations;

AND WHEREAS Heritage Calgary is a Civic Partner that identifies historic resources, provides advice to Council on heritage related matters, rigorously reviews and evaluates potential heritage sites;

AND WHEREAS Calgary's Climate Strategy identifies the preservation and reuse of existing structures as having significant environmental benefits. It also achieves significant energy savings through less construction and demolition debris in the waste stream, no energy use for demolition of buildings or new construction and the reuse of embedded energy and carbon in building materials;

AND WHEREAS, in 2019, Council supported work to develop tools and incentives that would encourage the conservation of Calgary's built heritage, following a report on City-owned heritage assets and best practices for encouraging heritage conservation (PFC2019-0223)¹;

AND WHEREAS, in 2020, Council supported both the Heritage Conservation Tools and Incentives report and the implementation of heritage policy tools (PUD2020-0758), including an increase to the Heritage Resource Conservation Grant Program (Grant Program), and a residential tax credit, as they were likely to result in meaningful improvements to heritage conservation²;

AND WHEREAS, also through PUD2020-0758, Council directed Administration to return to the Priorities and Finance Committee no later than Q1 2022 with the residential tax credit financial incentive package for consideration in the 2023-2026 budget deliberations, and directed Administration to prepare a mid-cycle

¹ [Priorities and Finance Committee - March 05, 2019 \(escribemeetings.com\)](#)

² [Residential Heritage Tax Incentive \(escribemeetings.com\)](#)

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budget request for a \$2 million increase to the base budget for the Grant Program, specifically targeting non-residential heritage buildings³;

AND WHEREAS, on May 17, 2022, Council approved the Residential Heritage Tax Incentive report (EC2022-0527) which established a program that offered a municipal tax credit of up to an 80% reduction in municipal property taxes, for a maximum of 15 years or up to a maximum amount of \$50,000, whichever comes first, to the owners of private residential properties designated as Municipal Historic Resources⁴;

AND WHEREAS in November 2022 neither the Residential Heritage Tax Incentive program nor the base budget increase for the non-residential Grant Program were included by Administration in the 2023 – 2026 Service Plans and Budgets⁵, neither program was prioritized by Council as part of the November 2023 Adjustments process and neither program is recommended for funding by Administration in the November 2024 Adjustments to the 2023-2026 Service Plans and Budgets;

AND WHEREAS, without reliable financial incentives for owners to designate their properties as Municipal Historic Resources, Calgary will continue to experience the loss of our built heritage and The City will not be able to follow through on its commitments to Calgarians to increase supports for heritage conservation;

AND WHEREAS while a separate tax subclass could be used to incentivize Municipal Historic Resource designations, current assessment and tax systems do not support this functionality;

AND WHEREAS the Municipal Government Act (MGA) section 358.1 sets a maximum tax rate ratio which further limits the immediate ability to implement a materially lower tax rate for residential properties based on current tax rates;

AND WHEREAS section 347 of the MGA allows Council the authority to cancel property taxes for a particular property when it considers it equitable to do so;

AND WHEREAS...

NOW THEREFORE BE IT RESOLVED

that Council direct Administration to bring forward an amendment to the Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets for Council's consideration, which would incentivize Municipal Historic Resource designations through property tax cancellations equivalent to 15 per cent of the municipal property tax levy, requiring a base operating budget of \$600,000 in 2025 and an additional \$100,000 in 2026 to cover the tax cancellation amounts for current designated Municipal Historic Resources, cover an expected 20 new designations per year and administer the incentive;

AND FURTHER BE IT RESOLVED that Council direct Administration to bring forward a policy to administer and recommend annual tax cancellations for privately owned properties or portions of properties that are designated as Municipal Historic Resources, returning to Council no later than Q2 2025;

AND FURTHER BE IT RESOLVED that Council direct Administration to, as part of future work to review and update assessment and tax systems, identify options for a Municipal Historic Resource subclass.

³ [Combined Meeting of Council - July 27, 2020 \(escribemeetings.com\)](#)

⁴ [Residential Heritage Tax Incentive, EC2022-0527 - Executive Committee - May 17, 2022 \(escribemeetings.com\)](#)

⁵ [2023 - 2026 Service Plans and Budgets, C2022-1051 - Regular Meeting of Council - November 08, 2022 \(escribemeetings.com\)](#)