

Infrastructure Services Report to
Executive Committee
2025 March 11

ISC: UNRESTRICTED
EC2025-0026

2025 Local Improvement Projects

PURPOSE

The purpose of this report is to seek Council approval of proposed Bylaw 1R2025 for the undertaking, construction, and financing of owner-initiated local improvement projects. These projects include paving residential laneways and lowering the height of the curb for individual residential driveways (called driveway crossings).

PREVIOUS COUNCIL DIRECTION

This program has been around for decades as an avenue for citizens to petition to have improvements in their area and community. The continuation of this program relies on the support of Council to pass these bylaws.

The bylaws are presented annually or semi-annually, with Council passing the previous bylaw in March 2024 (C2024-0245).

RECOMMENDATION(S):

That Executive Committee recommend that Council:

1. Approve of an increase of \$5,695,833 in 2025 budget appropriation to Public Services Capital Program 147-148.
2. Give three readings to proposed Bylaw 1R2025.

That Executive Committee:

3. Forward this report to the 2025 March 18 Regular Council Meeting.

RECOMMENDATION OF THE EXECUTIVE COMMITTEE, 2025 MARCH 11:

That Council:

1. Approve of an increase of \$5,695,833 in 2025 budget appropriation to Public Services Capital Program 147-148; and
2. Give three readings to **Proposed Bylaw 1R2025**.

Opposition to Recommendation: Councillor Chabot

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

GM Michael Thompson concurs with this report.

HIGHLIGHTS

Local improvements are projects that benefit a small section of local property owners rather than the majority of Calgarians. Through the owner-initiated local improvement process, The City of Calgary and property owners facilitate and support efforts to improve neighborhood assets that increase the attractiveness and accessibility of an area.

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All the proposed local improvements (locations in Wards 4-14) under Bylaw 1R2025 were initiated or requested by adjacent property owners. Annual adoption of local improvement bylaw is required to facilitate completion of these kind of projects.

The *Municipal Government Act*, R.S.A. 2000 c. M-26, as modified by The City of Calgary Charter, 2018 Regulation, governs the local improvement process. Local improvement tax is assessed to adjacent benefitting properties and then added to property taxes until the costs are repaid.

For the local improvements proposed under Bylaw 1R2025, there is no cost sharing between The City and property owners. All costs for these improvements are charged to the property owners.

DISCUSSION

In accordance with the *Municipal Government Act* (“**MGA**”), The City follows the following steps for the owner-initiated local improvement process:

- A petition package to initiate the local improvement (“**Petition For**”) can be obtained by calling The City of Calgary at 311.
- To be sufficient, a Petition For must be signed by at least two-thirds (2/3) of the affected property owners representing at least half (1/2) the assessed value of land.
- The completed Petition For form is to be filed with The City for validation as to its sufficiency or insufficiency.
- When a sufficient Petition For is received, the proposed project is included in the next available group of local improvements.
- A Notice of Intention to Undertake a Local Improvement (“**Notice**”) is mailed by The City to each affected property owner outlining the type of proposed construction, the estimated cost and the property owner’s estimated share of the cost. It also provides an instruction on how to file a petition against, if they object to the proposed local improvement (“**Petition Against**”), to be filed within 30 days from the date of the Notice. Petition Against form can be obtained by calling The City of Calgary at 311.
- To be sufficient, a Petition Against must be signed by at least two-thirds (2/3) of the affected property owners representing at least half (1/2) the assessed value of land.
- If a sufficient Petition Against is filed within 30 days from the sending of the Notice, Council must not proceed with the local improvement (Section 396(3) of the MGA).
- If a sufficient Petition Against is not filed within 30 days from the sending of the Notice, Council may undertake the local improvement and impose the local improvement tax at any time in the 5 years following the sending of the Notice (Section 396(4) of the MGA, as modified by The City of Calgary Charter, 2018 Regulation).
- In all cases, The City advises affected property owners in writing if the petition (Petition For or Petition Against) is sufficient or not.
- A local improvement tax bylaw must be passed by Council in respect of each local improvement.

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Bylaw 1R2025 is required for lane paving in residential areas with standard widths and new residential driveway crossings (Attachment 2).

The scope of improvements, program costs and specific tax rates used for the 2025 local improvements projects are set forth in Bylaw 1R2025. A general listing of tax rates used by The City is included in this report (Attachment 3).

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|---|---|
| <input checked="" type="checkbox"/> Public engagement was undertaken | <input checked="" type="checkbox"/> Dialogue with interested parties was undertaken |
| <input checked="" type="checkbox"/> Public/interested parties were informed | <input type="checkbox"/> Public communication or engagement was not required |

Notices for 47 local improvement projects were sent to affected property owners on 2024 November 6. Petition Against packages were requested and sent out for nine projects. Of these nine, one petition was filed with sufficient support at 75.51%, which mandated removal from Council approval as per the MGA. Another petition was filed with insufficient support at 52.26%. The remaining seven petitions were not filed for validation. A summary of the Petition Against is included in this report (Attachment 4).

Council will be informed by Administration at the 2025 March 18 Regular Council Meeting of any petitions filed after the preparation of this report. If this occurs, it will be recommended that Council identify and approve the withdrawal of any project prior to second reading of Bylaw 1R2025, direct Administration to recalculate dollar values and amend the bylaw content accordingly. Second and third readings may be given to Bylaw 1R2025, as amended, with Council's understanding that all changes will be made by Administration and delivered to the City Clerk's office to serve as the legal corporate record.

Affected property owners will be notified in writing of Council's decision.

IMPLICATIONS

Social

Owner-initiated local improvement projects can improve a specific area's livability. They can contribute to increased attractiveness and accessibility. The local improvement process provides a mechanism for adjacent residents to improve public infrastructure such as paving a lane, while sharing the cost over numerous properties.

Environmental

Lane paving is an effective means of dust reduction, and it offers better drainage and prevents erosion of the lane surface.

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Economic

Low effective interest rates, as set by the Province of Alberta or other lenders and/or by way of issuances of debt in the capital markets or private placements under The City's debt capital markets and private placement program (the "Financing Options"), and a 15-year amortization help lower annual costs for the affected property owners.

Service and Financial Implications

No anticipated financial impact

No anticipated financial impact

The full costs for first time paving of lanes are borne by the property owners. An increase to the 2025 budget of \$5,695,833.12 is required for Public Services Delivery Capital Program 147/148, Activity 432395/433090 (Attachment 5). The requested budget will be funded by local improvement debt to pay for contract work outlined in Bylaw 1R2025. The borrowed funds are repaid by the property owners and are not mill rate supported.

RISK

The City's ability to complete the needed local improvement projects and provide service in a timely manner could be negatively impacted if the proposed Bylaw 1R2025 is not approved. Through the local improvement process, property owners can upgrade infrastructure to improve quality of life in their community.

ATTACHMENTS

1. Background and Previous Council Direction
2. **Proposed Bylaw 1R2025**
3. 2025 Local Improvement Uniform Tax Rates
4. Petition Against Summary
5. Summary of Financial Impact
6. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Kerensa Fromherz	Infrastructure Services	Approve
Michael Thompson	Infrastructure Services	Approve

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City Clerks: R. Derwantz / C. Doi