

Calgary



Designated Historical Resource Property Tax Cancellations and Sub-class, EC2025-0274

2025 April 15

Recommendations

That Executive Committee recommend that Council:

1. Approve the proposed Council Policy in Attachment 2 to create a property tax cancellation pilot program for designated historic resource properties in the 2025 and 2026 taxation years;
2. Cancel municipal property taxes for designated Municipal Historic Resource (MHR) properties as specified in Table 1 of Attachment 3;
3. Cancel municipal property taxes for properties subject to legal agreements to become designated as MHR properties, as specified in Table 2 of Attachment 3; and
4. Not further pursue property assessment sub-classes for MHR properties.

Previous Council Direction

Notice of Motion EC2024-1116 (October 2024)

That Council direct Administration to:

- Bring forward an amendment to the Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets [...] requiring a base operating budget of \$600,000 in 2025 and an additional \$100,000 in 2026 to cover tax cancellation amounts equivalent to 15 per cent of the municipal property tax levy;
- Bring forward a policy to administer and recommend annual tax cancellations [...] returning to Council no later than Q2 2025;
- Identify options for a Municipal Historic Resource subclass.

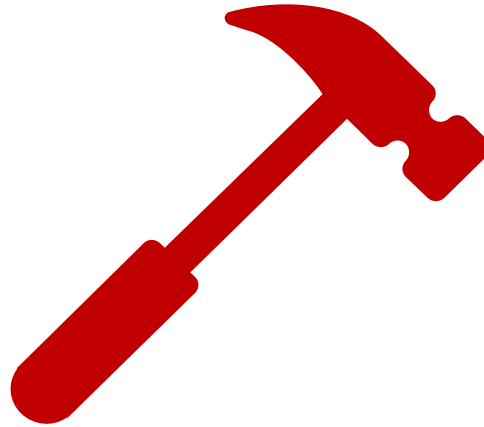
C2024-1097 (November 2024)

That Council direct Administration to initiate a two-year pilot to better understand base budget requirements [...] by:

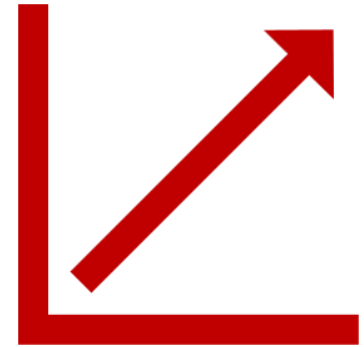
- Allocating \$600,000 in 2025 and \$700,000 in 2026 [...] to be funded from Fiscal Stability Reserve (FSR); and
- Use the actual amounts from the 2025 and 2026 pilot to inform the addition of base funding [...] in the 2027-2030 budget cycle.



**Public benefits
and value of
historic
properties**



**Private costs of
restoration and
preservation**



**Incentivizing new
Municipal Historical
Resource
designations**

Tax Cancellation Program Overview

Criteria

Residential or non-residential

Privately-owned

Designated by Council as a
Municipal Historic Resource

Process

Eligible properties
identified



Cancellations
recommended to
Council



Approved
cancellations applied
directly to tax accounts

2025 Cancellations Summary

2025 Budget: \$450,000

Class	Properties*	2025 Taxable Assessed Value	2025 Tax Cancellation Value <i>(15% of 2025 Municipal Portion)</i>
Residential	74	\$117,984,130	\$68,500.40
Non-Residential	62	\$104,221,927	\$280,978.67
Total	109*	\$222,206,057	\$349,479.07

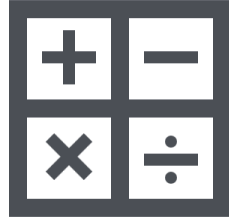
*Split-class properties are counted twice, in both the Residential and Non-Residential categories.

Sub-Classes for MHRs



Legislation

Limited options for non-residential sub-classes



System Complexity

Alignment to target tax rates difficult in budget-based system

5:1

Tax Rate Ratio

Legislative constraint on lower residential or higher non-residential rates



Technological Limitations

Sub-class capability not available until est. 2029

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