

Background and Previous Council Direction

Background

The Calgary Heritage Strategy and Policy ([LUP007](#)) includes the goal to support the identification, protection and management of Calgary's historic resources. Section 2.3.3 of the [Municipal Development Plan](#) (MDP) sets the objective of conserving Calgary's heritage resources, including a policy to adopt policies, including financial incentives where appropriate, for their conservation and enhancement. The MDP highlights the aesthetic, historic, scientific, economic, cultural, social, natural and/or spiritual qualities and value of heritage resources.

[Calgary's Greater Downtown Plan](#) also includes the goal of more visibility and integration of heritage and cultural assets within the public realm.

There have been various past instances of Council direction aimed at exploring or creating incentives, including property tax credits, to support conservation of The City's built heritage, including in [PFC2019-0223](#), [PUD2020-0758](#), and [EC2022-0527](#). These incentive programs were ultimately not funded in the 2023-2026 business plans and budgets.

In 2024, Council approved direction to create a two-year pilot program for 2025 and 2026, granting a 15% reduction in municipal property taxes for designated Municipal Historic Resource (MHR) properties, and to use the information from the pilot programs to inform recommendations to add ongoing funding for a future program.

The first round of tax cancellations for the pilot program was approved by Council in April 2025 (EC2025-0274). Actual program expenditures were below the amount approved by Council because of amended assessed values due to Assessment Review Board proceedings.

Year	Budget	# Properties	Approved	Actual
2025	\$450,000.00	109	\$349,479.07	\$337,482.61

Also in April 2025 report, Council approved a Council policy to govern the program, and recommendations against the use of a property sub-class to apply a differential tax rate to MHR properties. The use of a sub-class would only be able to apply to residential MHR properties, would introduce added complexities into the administration of the property tax system, and would result in The City exceeding the legislative maximum non-residential to residential municipal property tax rate ratio of 5:1.

Additional properties that have been designated as an MHR and meet the criteria under the Council policy in 2025 have been added to the list of recommended cancellations for 2026 in this report.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2025 April 29	EC2025-0274	<p>Designated Historical Resource Property Tax Cancellations and Sub-class</p> <p>That Council:</p> <ol style="list-style-type: none"> 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.
2024 November 05	C2024-1097	<p>Mid-Cycle Adjustments to 2023-2026 Service Plans and Budgets</p> <p>That with respect to Report C2024-1097, the following amendment be adopted:</p> <p>That a new Recommendation be inserted, as follows, and that all Recommendations be renumbered accordingly if necessary:</p> <p>Direct Administration to initiate a two-year pilot to better understand base budget requirements for property tax cancellation of historic resource properties by:</p> <ol style="list-style-type: none"> 1. Allocating one-time operating budget of \$150,000 in each of 2025 and 2026 to City Planning and Policy, and allocating one-time operating budget of \$450,000 in 2025 and \$550,000 in 2026 to Common Revenue services, for a total of \$1,300,000, towards “Designated Historical Resource Property Tax Cancellation and Subclass” in Distribution 1, to be funded from Fiscal Stability Reserve (FSR) which is scheduled to receive an estimated \$38 million favourable year-end variance; and 2. Use the actual amounts from the 2025 and 2026 pilot to inform the addition of base funding for ongoing property tax cancellation of historic resource properties in the 2027-2030 budget cycle.

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2024 October 29	EC2024-1116	<p>Notice of Motion - Designated Historical Resource Property Tax Cancellation and Subclass</p> <p>[...] 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;</p> <p>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;</p> <p>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.</p>

Bylaws, Regulations, Council Policies

Below is an overview of the associated governance relevant to the content of this report, including legislation, regulations, bylaws, and Council Policies.

Legislation and Regulations

- [Historical Resources Act, RSA 2000, c H-9](#)
 - Section 26 governs the process by which The City may designate a property as a Municipal Historic Resource. This includes requirements to provide notice to the owner of a property that is to be designated, approval of a bylaw detailing the designation, and service of a copy of the bylaw to the property owner and the Land Titles Office.
- [Municipal Government Act, RSA 2000, c M-26](#)
 - Section 347 governs the cancellation, reduction, refund or deferral of property taxes by Council. If Council considers it equitable to do so, it may with respect to a particular property or a class of properties, cancel, reduce, refund or defer taxes, which is the mechanism of providing the tax cancellations under this program.

Bylaws

Municipal Historic Resources are each designated by a bylaw approved by Council, which details the specifics of the property and what portions or historic elements of the property are protected.

Below are some examples of the applicable bylaws to some of the MHR properties included for recommended tax relief under this program.

- Alberta Hotel – [Bylaw 39M2009](#).
- Alyth Lodge – [Bylaw 47M2010](#).
- Barron Building – [Bylaw 42M2022](#).

Designation bylaws for all MHR properties can be found through [The City's Council and Committee Meetings and Bylaws archive search](#), or Heritage Calgary's online [Inventory of Evaluated Historic Resources](#).

Council Policies

- [Calgary Heritage Strategy and Policy, LUP007](#)
- [Designated Historical Resource Property Tax Cancellations Council Policy, CP2025-01](#)
(or see Attachment 2 of this report).