

PROPOSED 2019 SPECIAL TAX BYLAW

EXECUTIVE SUMMARY

In accordance with Section 382 of the Municipal Government Act (MGA), Council may pass a special tax bylaw to raise revenue for a specific service or purpose, including a boulevard tax and a recreational services tax. A special tax levy is one way that communities can raise funds to achieve an enhanced level of maintenance. Another way to achieve this is through a homeowner association that collects funds through a caveat on title. The special tax levy process was created to provide a self-funded mechanism for communities that desire, among other things, an enhanced level of boulevard maintenance around streets and parks. The available services include mowing and trimming; tree well and shrub bed maintenance; perennial and annual flowers; litter control; and snow removal. A number of communities participate annually in the levy process and have either an established long-term enhanced Landscape Maintenance Agreement (LMA) or Pathways Snow Removal Agreement (PSRA) with The City of Calgary.

This report is specific to the special tax levy process and provides an update on 2018 activities, the 2019 process, and requests three readings of the proposed 2019 Special Tax Bylaw for the 12 participating communities. The bylaw and maps for participating communities are included in Attachment 1. The 2019 Special Tax Bylaw Annual Budget Summary for participating communities is included in Attachment 2. Calgary Parks completed a review of the Enhanced Landscape Maintenance (ELM) Program two years ago and Council approved program amendments in March 2017 (CPS2017-0210). These amendments were completed in 2018 and Parks continues to provide support to improve communications, consistency, and clarity around the ELM Program.

ADMINISTRATION RECOMMENDATION:

That Council give three readings to the proposed 2019 Special Tax Bylaw (Attachment 1).

PREVIOUS COUNCIL DIRECTION / POLICY

Administration provides reports on special tax bylaws on an annual basis, with the most recent report (CPS2018-0250) receiving Council approval on 2018 March 19.

On 2017 March 13 Council approved CPS2017-0210 (Calgary Parks Enhanced Maintenance Program Review) and directed Administration to implement the proposed program amendments contained in 2017 and 2018.

On 1996 February 26, Council approved FB96-04, Christie Estates Special Tax Bylaw Evaluation, a special tax process and procedure.

BACKGROUND

Calgary Parks has offered a process for the enhanced landscape maintenance of park spaces and boulevards in Calgary communities since 1996. In 1996, Council approved the Christie Estates Special Tax Bylaw as an acceptable method to collect funds for the enhancement of such spaces. The program was formalized in 2002, following an increase in community interest and Council support.

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This report is for the 2019 Special Tax Bylaw which allows a community to generate funds through a tax levy to enhance the landscape service beyond the standard level currently provided by Calgary Parks. With additional funding in place, a community group such as a community or HOA may then enter into the Enhanced Landscape Maintenance (ELM) program and become the 'operator' of the land. As operators, the community group may then enhance the landscape maintenance of public boulevards and parks (for example with additional mowing and flower planting, or increased litter pick up) or provide additional snow clearing on City pathways beyond the standard level currently provided by Calgary Parks. As mentioned, the majority of communities that participate in the ELM program are funded privately through a caveat on their property title, and are not subject to the special tax levy process.

Special tax levies and the associated Landscape Maintenance Agreement (LMA) or Pathways Snow Removal Agreement (PSRA) are established at the request of an organized community group such as a community or homeowner association. This process allows communities to generate sufficient funds required to facilitate additional park or other green-space maintenance services. A LMA or PSRA is established between The City and the participating community – the contract elements identify the specific land involved, define mutual roles and responsibilities and describe a set of maintenance guidelines. Calgary Parks closely monitors the services performed by the contractors that are retained and managed by ELM communities. This ensures that The City remains accountable for the level of service provided and for the City land and assets where the enhanced maintenance is being undertaken.

Following a request from a community group to establish an enhanced maintenance program, The City guides the group through a comprehensive engagement process to confirm and establish a tax levy for those homeowners. The community group petitions the property owners within the community and requires a two-thirds (2/3) majority in support of the petition to proceed with the tax levy. For communities with approved tax levies, Roads - Local Improvements Section annually mails notices to all the property owners in the affected communities to advise the property owners of the proposed special tax, along with their right to petition against the special tax.

Further, every five years, participating communities are required to re-evaluate their desire to continue in the program by holding a public meeting and community vote to confirm ongoing support for the tax levy. A 50 per cent plus one simple majority of the property owners in attendance is required. If this is not attained, then a petition process must be followed whereby 66.7% of the community support the cancellation of the special levy. The City liaises with the tax levy communities throughout the year to support the residents in meeting their reporting obligations as per requirement of the ELM program

There are 12 communities coming forward for approval in the city-wide special tax levy program in 2019 with this report (Attachment 1). The majority of these communities use the special tax levy for enhanced maintenance of boulevards around streets and parks, with one community (McKenzie Lake) only using the levy for snow removal on pathways. An annual budget summary for these communities is provided as Attachment 2.

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INVESTIGATION: ALTERNATIVES AND ANALYSIS

Environmental sustainability and appropriate horticultural practices are priorities for The City. The City is committed to managing all special tax levy processes and enhanced maintenance agreements in accordance with current open space management best practices. Administration routinely engages tax levy communities regarding implementation of innovative and environmentally sustainable management practices.

The Special Tax Bylaw was consolidated in 2015 to streamline the approval process at Council. Proposed wording for the 2019 Special Tax Bylaw for the 12 communities continuing in the program is included in Attachment 1. The 2019 Special Tax Bylaw Annual Budget Summary lists the tax levy and total taxes collected in 2018, and the proposed tax levy and budget data for the 12 participant communities in 2019 (Attachment 2). The annual budget for each community is the product of the tax levy and total property count. Communities are asked each fall to consider maintaining, lowering or raising their levy for the following year.

Stakeholder Engagement, Research and Communication

Community homeowners are engaged through the initial survey required to establish the tax levy. Residents receive annual written notification and have further opportunity to review the program prior to the five-year renewal vote as described in the Background section above. The City also liaises with tax levy communities throughout the year as required. Participating communities are eligible to request an annual inflationary increase of up to three percent through the tax levy process. The 2019 Special Tax Bylaw - Annual Budget Summary identifies the three per cent inflationary requests that were received from Christie Park, Diamond Cove, Hawkwood, Patterson Hills and Valley Ridge. Communities with an operating surplus from a prior year may lower their tax levy rate until the surplus is depleted. Total revenue for the 2019 Special Tax Bylaw is approximately \$1.66 million. Further details including 2018 data are outlined in the annual budget summary (Attachment 2).

Calgary Parks provides direct oversight on the program and is The City liaison with special tax levy communities. The program is one of many ways Community Services works collectively to meet the needs of Calgary's communities. Program support is also provided by Calgary Roads and Law, and is supported by Community Services business units as needed.

Strategic Alignment

This report aligns with One Calgary citizen priority *a Healthy and Green City* and the Parks and Open Space line of service. The report also aligns with the goals and objectives of the following documents:

- 2020 Sustainability Direction
- Calgary Open Space Plan
- Calgary Parks Enhanced Maintenance Program Review

Social, Environmental, Economic (External)

Social

Community based landscape maintenance programs enhance the liveability of neighbourhoods and encourage collaboration and community pride among residents.

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Environmental

Landscape maintenance programs incorporate The City's best practices of water management, integrated pest and turf management to support biodiversity within Calgary's urban ecosystem.

Economic (external)

High quality park space favourably impacts the image and economy of Calgary and is associated with indirect benefits including increased land values and tax revenues.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget implications as ELM communities receive an annual operating grant from The City that matches the baseline level of service that Calgary Parks would provide for landscape maintenance in the community.

Current and Future Capital Budget:

There are no capital budget implications associated with the ELM program.

Risk Assessment

The provisions within the enhanced LMA or PSRAs between The City and each community or homeowners association mitigate the associated risks to The Corporation. The overall Enhanced Maintenance Program Review that was recently approved by Council on 2017 March 13 further mitigates risks by having improved clarity, consistency, and communication around the program.

REASON(S) FOR RECOMMENDATION(S):

In accordance with Section 382 of the Municipal Government Act (MGA), Council may pass a special tax bylaw to raise revenue for a specific service or purpose, including a boulevard tax and a recreational services tax. In 2019, 12 communities have confirmed their desire to continue participating in the program.

ATTACHMENT(S)

1. Attachment 1 – 2019 Special Tax Bylaw for Communities in the city of Calgary
2. Attachment 2 – 2019 Special Tax Bylaw – Annual Budget Summary