

## PROPOSED 2016 SPECIAL TAX BYLAW

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### 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. The special tax levy process was created to provide a self-funded mechanism for communities that desire 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. The bylaw and maps for participating communities are included in Attachment 1. This report provides an update on 2015 activities, the 2016 process, and requests three readings of the proposed 2016 Special Tax Bylaws for participating communities. Edgemont community is new to the program this year. Members of the Edgemont community have recently provided a petition in support of the program and other members of the Edgemont community are currently compiling a petition opposing the program. As such this Special Tax Bylaw will be coming forward as a separate report to the SPC on Community and Protective Services on 2016 April 06.

### ADMINISTRATION RECOMMENDATION(S)

That the SPC on Community and Protective Services recommend that Council give three readings to the proposed 2016 Special Tax Bylaw (Attachment 1).

### PREVIOUS COUNCIL DIRECTION / POLICY

On 1996 February 26, Council approved FB96-04, Christie Estates Special Tax Bylaw Evaluation, a special tax process and procedure. Administration provides reports on special tax bylaws on an annual basis, with the most recent report, CPS2015-0327 receiving Council approval on 2015 April 13.

### BACKGROUND

Special tax levies and the enhanced service agreements (LMA and PSRA) are established at the request of an organized community group such as a homeowners association. This process allows communities to generate sufficient funds required to operate 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.

There are 10 communities coming forward for approval in the city-wide special tax levy program in 2016 with this report. These communities have participated in the program in the past; an annual budget summary for these communities is provided as Attachment 2.

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

## **PROPOSED 2016 SPECIAL TAX BYLAW**

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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. The City liaises with the tax levy communities throughout the year to support the residents in meeting their reporting obligations as required by the policy.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

Environmental sustainability and appropriate best 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. The City routinely engages tax levy communities regarding implementation of innovative and environmentally sustainable management practices.

The Special Tax Bylaw 2016 Annual Budget Summary lists the tax levy and total taxes collected in 2015, and the proposed tax levy and budget data for the 10 participant communities in 2016 (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 or raising their levy for the following year. Of note, the Douglas Glen Homeowners Association has requested that their tax levy be placed in abeyance for 2016 to provide time to re-establish their board of directors. Assistance in the re-establishment of the special tax levy will be provided if the community is interested in continuing.

The 2016 Special Tax Bylaw was consolidated in 2015 to streamline the approval process at Council. Proposed wording for the 2016 Special Tax Bylaw for the 10 communities continuing in the program is included in Attachment 1.

### **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.

### **Strategic Alignment**

This report aligns with the Council approved Action Plan 2015-2018: "Respond to the needs and aspirations of the citizens of Calgary". The report also aligns with the goals and objectives of the following documents:

- 2020 Sustainability Direction
- Calgary Open Space Plan

### **Social, Environmental, Economic (External)**

#### **Social**

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

## **PROPOSED 2016 SPECIAL TAX BYLAW**

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### **Environmental**

Landscape maintenance programs incorporate The City's best practices of urban forestry, 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:**

Participating communities are eligible to request an annual three per cent inflationary increase through the tax levy process. The 2016 Annual Budget Summary identifies the three per cent inflationary requests that were received from Diamond Cove, Douglasdale, and Patterson Hills. Communities with an operating surplus from a prior year may lower their tax levy rate until the surplus is depleted. McKenzie Lake has opted to do this in 2016 as outlined in Attachment 2. Total revenue for the 2016 Special Tax Bylaw, Program 445 Parks, is approximately \$1.13 million. Further details including 2015 data are outlined in the annual budget summary (Attachment 2).

#### **Current and Future Capital Budget:**

No budget implications.

### **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. Administration will be undertaking a review of the Special Tax Bylaw program in 2016.

### **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. In 2016, 10 communities have confirmed their continued participation in the program.

### **ATTACHMENT(S)**

1. Proposed Wording for a 2016 Special Tax Bylaw for Communities in The City of Calgary
2. Special Tax Bylaw 2016 Annual Budget Summary