Deputy City Manager’s Office Report to
Combined Meeting of Council
2019 January 14

Proposed Rivers District Community Revitalization Levy Bylaw Amendment

EXECUTIVE SUMMARY

This report brings forward proposed Bylaw 2M2019, to amend The Rivers District Community Revitalization Levy Bylaw 27M2007, for Council’s consideration. The proposed bylaw will enable Council to extend the Rivers District Community Revitalization Levy (CRL) for a period of 20 years, until the end of 2047.

ADMINISTRATION RECOMMENDATION:

That Council:

1. Give three readings to proposed Bylaw 2M2019, the Rivers District Community Revitalization Levy Amending Bylaw Number 1; and

2. Forward proposed Bylaw 2M2019 to the Government of Alberta for approval in accordance with Section 381.2 of the Municipal Government Act.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 December 17, Council adopted C2018-1285 Rivers District Community Revitalization Levy Discussion Update, which directed Administration to amend the Rivers District Community Revitalization Levy Bylaw to incorporate a 20-year extension period (2028-2047) and advertise the proposed bylaw within the required timeframe to return to the Combined Council Meeting on 2019 January 14.

On 2018 July 4, Council adopted C2018-0816, which directed Administration to work with the Calgary Municipal Land Corporation (CLMC) to update materials that would support anticipated Government of Alberta amendments to the Municipal Government Act and the City of Calgary Rivers District Community Revitalization Levy Regulation (“the Regulation”).


BACKGROUND

In 2018, the Government of Alberta amended the Municipal Government Act to allow the Rivers District Community Revitalization Levy to be in place for a maximum of 40 years. This means that the CRL can be in place until the end of 2047, instead of terminating at the end of 2027 as originally planned. An extended CRL term will provide funding for additional infrastructure in the Rivers District.

In 2018, the Government of Alberta also amended the Regulation to ensure consistency with the Municipal Government Act. The Regulation requires that a Community Revitalization Plan must be prepared prior to passing a CRL Bylaw and that the bylaw must include all the information contained in the proposed Rivers District Community Revitalization Plan Extension (“Plan Extension”).

Approval(s): Brad Stevens concurs with this report. Author: Campbell Berry
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INVESTIGATION: ALTERNATIVES AND ANALYSIS

Proposed Rivers District Community Revitalization Plan Extension

The proposed Plan Extension is a comprehensive planning and municipal financing document that provides the rationale for urban renewal, identifies infrastructure projects, and outlines how the CRL will be used to finance projects. The Plan Extension is to be appended to the original 2007 Community Revitalization Plan and it covers a period to the end of 2047.

The East Victoria Park neighbourhood is the focus on the Plan Extension. This neighbourhood requires critical infrastructure upgrades and investment in cultural amenities. The Plan Extension identifies the following Initial Projects: BMO Centre Expansion, underground utilities, streetscape improvements, and parks/open space. Other Projects are also identified in the Plan Extension, including: Arts Commons, public art, Victoria Park Transit Centre, environmental remediation, and historical building rehabilitation. It is anticipated that these Other Projects would commence after the Initial Projects are underway. Detailed cost analysis is still required for most of these Other Projects.

Next Steps

If approved, The City will forward Bylaw 2M2019 to the Government of Alberta for approval by the Lieutenant Governor in Council, in accordance with the Municipal Government Act and the Regulation.

Stakeholder Engagement, Research and Communication

Administration assisted CLMC in the preparation of Plan Extension. Between 2018 August-October, both Administration and CMLC worked with Alberta Municipal Affairs to revise and finalize the Plan Extension. This document fulfilled Municipal Affairs’ background information requirements and was used to support amendments to the Municipal Government Act and the Regulation.

Strategic Alignment

On 2018 December 17, Council approved the BMO Centre expansion project conditional upon the Government of Alberta approving an amended Rivers District Community Revitalization Levy Bylaw. Council must approve Bylaw 2M2019 prior to forwarding it to the Government of Alberta for final approval.

Bylaw 2M2019 would extend the CRL by 20 years and enable The City and CMLC to realize additional urban renewal objectives in the Rivers District.

Social, Environmental, Economic (External)

Social Impact

The revitalization of the Rivers District is creating distinct neighbourhoods that are vibrant, safe, and accessible to all Calgarians.
Environmental Impact
Ongoing infrastructure investment enables the preservation of heritage resources and the remediation of contaminated lands in the Rivers District.

Economic Impact
The City and CMLC’s leadership in public infrastructure development leverages additional private sector investment in the Rivers District.

Financial Capacity

Current and Future Operating and Capital Budget:
The Plan Extension has no impact on The City's current service plans and budgets and continues to provide self-sustaining funding for the Rivers District redevelopment. However, the Plan Extension further commits the additional property tax revenue generated from past expansion in the District toward infrastructure improvements in the District.

Risk Assessment
The approval of a CRL extension would result in Rivers District property tax revenue reverting to general revenue in 2048, rather than 2028 as is currently planned. However, an extended CRL timeframe ensures additional funding for capital projects within the Rivers District that will stimulate incremental economic activity and generate additional property tax revenue during an extension period.

Calgary has faced challenging economic times over the past three years that led to weakened demand for new private real estate development and put pressure on CRL revenue growth projections. To mitigate this risk, CMLC has taken a conservative approach forecasting estimated CRL revenues.

The Government of Alberta must review and approve the bylaw. Proposed Bylaw 2M2019 has no effect until it is approved by Lieutenant Governor in Council.

REASON(S) FOR RECOMMENDATION(S):
The proposed Bylaw 2M2019 fulfills a 2018 December 17 Council direction.
The Lieutenant Governor in Council must approve proposed Bylaw 2M2019 before it can come into effect.

ATTACHMENT(S)
Proposed Bylaw 2M2019