

Calgary



Planning and Development Sustainment Reserve Fund Amendments

EC2024-0428
2024 April 16

Previous Council Direction

This report concludes Council direction to update the Planning and Development Sustainment Reserve, as directed through:

- Triennial Reserve Review EC2023-0466, where Administration was directed to provide an update on the impacts of the realignment on the reserve .
- Fee Based Reserves Report EC2023-0222, which noted Administration would conduct a comprehensive review of fee vs tax services.
- 2023-2026 Service Plans and Budgets C2022-1051, where Council directed Administration to conduct a review of fee-based reserves to determine if there are tax-supported initiatives that could be funded from them.

Recommendations

That Executive Committee recommend that Council:

1. Approve recommended changes to the Planning and Development Sustainment Reserve Template as presented in Attachment 2; and
2. Approve the proposed Service Funding Principles as presented in Attachment 3.
3. Direct Administration to include the impact of these changes as part of Mid-Cycle Adjustments.



Highlights



Approvals Continuum Review Findings



Tax Relinquishment



Service Funding Principles

Approvals Continuum

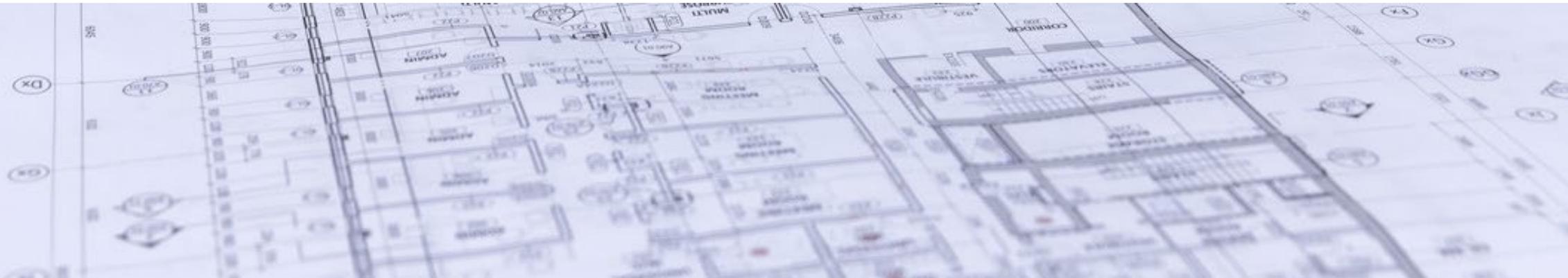
Our Approvals Continuum



- User fees are charged across the Approvals Continuum
- Fees collected within a given year fund the related annual operating expenditures across the Approvals Continuum
- At the end of a given year, any fee revenue or expenditure variance is transferred to or from the Reserve

Reserve Template Amendments

- **Title** – Reflects realignment
- **Purpose Statement** – now references **Service Funding Principles**
- **Conditions** – now clarifies funds that exceed the target balance may be directed to any type of fee adjustments, in alignment with service funding principles



Service Funding Principles

- All transfers from the Reserve must be used to support and enable services provided by Administration within and for PDS along the Approvals Continuum

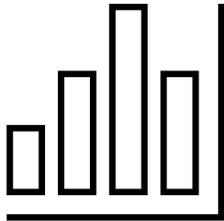
- If a proposed expenditures falls within Category 1 or 2, it is eligible for funding from PDS fees:

Category 1: Services that PDS charges a fee for

Category 2: Services performed by Administration within and for PDS that are part of the overall regulatory regime. These services support and enable the continuity of current and future development or building approvals.



Current Context and Impacts

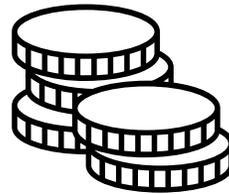


Reserve Balance

2022 Balance: \$104M

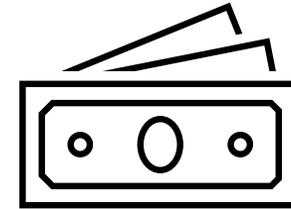
Target Balance: 75% of
annual fee-based
expenditures

Current target balance: \$82M



Current Commitments

Approved capital projects and
expenditures remaining in
2023-2026 cycle: \$50M



Fee impact

Administration does not
anticipate a need to increase
fees as a result of these
amendments

Recommendations

That Executive Committee recommend that Council:

1. Approve recommended changes to the Planning and Development Sustainment Reserve Template as presented in Attachment 2; and
2. Approve the proposed Service Funding Principles as presented in Attachment 3.
3. Direct Administration to include the impact of these changes as part of Mid-Cycle Adjustments.