

# Municipal Government Act Review

## What We Heard: A Summary of Consultation Input

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Business and Industry Session  
Held in Calgary on April 10, 2014

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Developed by KPMG for Alberta Municipal Affairs



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## Introduction

### Purpose

This document provides a summary of what was heard during a consultation session for the *Municipal Government Act* (MGA) review. The summary below includes the comments and opinions of the participants of the Business and Industry Session held in Calgary.

These contributions have not been reviewed or edited for accuracy. Comments recorded here reflect the opinions of individuals offered in person and recorded by session facilitators; they do not necessarily represent the opinion of the Government of Alberta.

The input summarized below will be considered by Alberta Municipal Affairs as part of the review of the legislation. Municipal Affairs would like to thank the participants of this session, as well as all Albertans participating in the review of the MGA. Any inquiries related to this summary or to the consultation process should be directed by email to the MGA Review Team at [mga.review@gov.ab.ca](mailto:mga.review@gov.ab.ca).

### The Municipal Government Act Review

The MGA is designed to help build strong, prosperous and sustainable communities throughout Alberta. Alberta Municipal Affairs is reviewing and refreshing the MGA to address evolving circumstances and priorities in Alberta's many communities, and to ensure the MGA continues to meet its objective. A successful MGA review process will continue to position Alberta as the leading Canadian jurisdiction in terms of municipal legislation, having incorporated sound thinking, input and research into a clear Act that meets the needs of the Province and municipalities. In order to achieve this vision, an inclusive and comprehensive engagement process was developed to ensure stakeholders across the province have opportunities to provide input to the review.

As part of the MGA review, regional consultations were held in eleven locations around the province to give Albertans an opportunity to provide input face-to-face. In each location, different types of sessions were held, including Technical Sessions, a Business and Industry Session, a Municipal Administrators Session, an Elected Officials Session, and a Public Open House.

These engagements were conducted in February 2014 to April 2014 in 11 locations throughout the province. Each location was held over 3 days in the following locations:

- Brooks
- Calgary
- Edmonton
- Edson
- Fort McMurray
- Grande Prairie
- Lethbridge
- Medicine Hat
- Peace River
- Red Deer
- Vermilion

Sessions were promoted via news releases, direct email invitations, social media, and by the Minister of Municipal Affairs at stakeholder conventions. Information on regional session locations, dates and registration were on the MGA Review website.

Input to the MGA Review has also been provided through other channels, including the MGA Review website ([mgareview.alberta.ca](http://mgareview.alberta.ca)), the MGA Review Consultation Workbook, and official submissions.

## Session Overview

<b>Session</b>	Business and Industry Session
<b>Location</b>	Radisson Hotel & Conference Center Calgary Airport East, Calgary
<b>Date</b>	April 10, 2014
<b>Number of Participants</b>	54

- This session was open to anyone who wished to attend. Participants were asked to register in advance in order to receive background materials before the session.

## Regional Consultation Methodology

### ***How sessions were organized***

Regional consultations were structured around one or more of the three themes of the MGA Review:

- Governance and Administration
- Assessment and Taxation
- Planning and Development

Participants were provided with agendas in advance, which identified a list of potential topics for discussion. These topics were taken directly from the MGA Review Consultation Workbook. Several of the topics for discussion appear under more than one of the three themes of the review because they are relevant to more than one theme (e.g. public participation). The agenda is attached as Appendix A.

At this session, participants provided input through facilitated table discussions. The goal of the facilitated conversations was to give the opportunity to all participants to discuss the issues that mattered most to them. Given the large size and scope of the MGA, participants at each table were asked to focus their discussion on those topics that they felt were most important to provide input on, using the list provided in advance. In addition, this session included time for “open discussion” during which participants could provide any additional input that they felt was important to the review. Table facilitators and note takers included staff from Municipal Affairs, KPMG and ADR Education.

### ***Capturing input and reporting***

Input from session participants was captured on flipcharts by facilitators during the discussion. It was explained to participants that:

- Comments were being recorded on flipcharts so that they could be captured and considered by Municipal Affairs as part of the review of the MGA.
- Comments would not be attributed to individuals or organizations.
- Other avenues were also available to provide written input to the review.

The summary below documents the input heard from participants and recorded on flipcharts. These comments have been transcribed and organized according to the list of topics for discussion; they have not been screened for accuracy and do not reflect consensus of participants. As a result, comments and opinions listed may be contradictory. Comments that apply to issues outside of the scope of the review (e.g., suggested changes to other legislation) have been removed.

It is important to emphasize that this summary reflects the input heard from participants, and does not necessarily reflect the position of the Government of Alberta.

**How the Summary of Responses is Organized**

*Input from session participants is organized according to the three themes for the review:*

- *Governance and Administration*
- *Assessment and Taxation*
- *Planning and Development*

*Within these themes, comments are organized according to the applicable topics for discussion, using the list provided to participants in advance. In some sessions, not all themes may have been discussed.*

## Summary of Input

### **General Comments about the MGA**

The following input was received and documented related to the MGA in general.

Comments from participants included that:

- The MGA review needs to take the time to make legitimate and substantial changes to the legislation.
- The MGA should have more regular reviews, or be a “living document” that is updated continuously.
- The MGA should be more user-friendly, and written in plain language.
- There is a need to ensure that Orders in Council are reviewed regularly.
- There needs to be coordination between the different pieces of legislation that industry is working with.
- An extended consultation period is needed for creating city charters, similar to what has been done for the MGA review.

## **Governance and Administration**

The following input was received and documented related to governance and administration.

### **Municipal Powers, Structures, Annexations and Other Changes**

#### ***Municipal powers***

Comments from participants included that:

- There is a need to consider additional accountability mechanisms in the MGA to balance new powers that may be granted through potential upcoming city charters.
- There should be more clarification of why Edmonton and Calgary need additional powers through city charters.

#### ***Municipal structures***

Comments from participants included that:

- The current boundaries and definitions of municipal structures in the MGA are outdated and ineffective.
- Specialized municipal formation orders should be reviewed on a regular basis, particularly “special tax powers.”
- The MGA should provide more clarity on the definition of “density” as it relates to municipal structure definitions.

#### ***Fundamental changes and municipal restructuring***

Comments from participants included that:

- The MGA should include a mechanism to ensure annexations do not complicate the assessment process.
- Annexation processes across the province should be consistent.
- The MGA should provide certainty around the “sunset clause,” or the transition period in annexation orders.
- Provisions in other provincial legislation, like the *Gas Utilities Act* and the *Gas Distribution Act*, must be aligned with the MGA, specifically around annexations.

### **Municipal Finances**

#### ***Financial administration***

Comments from participants included that:

- The Province should review debt limits to ensure growth rates match demand.
- The MGA should provide guidelines for debt limits. Debt limits should be evaluated based on risk, depending on different types of debt and borrowing.

- The MGA should be more flexible and less prescriptive regarding freedom to invest. The MGA should provide greater autonomy and authority to partly manage financial risk.
- There needs to be more accountability and transparency around municipal taxation, revenue generation and spending, particularly for revenues received from businesses.
  - There needs to be more transparency on where tax dollars are going so the public is informed on who is subsidizing local services.
  - Municipalities should be provided with best practices for financial management as options to adopt.
- The MGA should establish provincial audits.

### ***Regional funding approaches***

Comments from participants included that:

- The MGA should provide stronger requirements and strengthen the ability for municipalities to support regional projects by compelling contributions at the regional level.
  - The MGA should reinforce the need for regional planning by establishing more directive expectations, goals, and timelines.
  - The MGA should mandate participation in regional projects.
  - Forced regional collaboration will not work.
  - A third party, such as an arbitrator, could be used to intervene when municipalities refuse to cooperate.
- There should be provincial incentives for regional collaboration, such as grants.
- There needs to be a better process for the use of regional infrastructure and services.
  - Municipalities should be encouraged to research potential regional cost sharing opportunities.
  - Joining services, such as transit and water, would encourage more regional collaboration and costs savings.
  - Funds need to be shared fairly between municipalities in cases where outside residents use services in another municipality, such as libraries and recreation centres.
- Regional business licences or provincial licences should be considered in the MGA. This would help promote municipal cooperation and minimize the competitive environment.
- The MGA should design a pass to enable businesses to operate across the province in multiple municipalities. This will result in administrative savings at the municipal level, which will likely outweigh the costs at the provincial level. The pass could include a registration fee allocated to a “home base” municipality, which will then be cost-shared across the province.
- Linear property tax revenue must be distributed more equitably across the province.

- Linear property should be assessed, taxed and revenues distributed by the Province to ensure consistency in application, assessment and administration.
- Linear property tax revenue pooling would require a clear mechanism to demonstrate how funds are distributed.
- Population-based distribution of linear property tax revenue does not work, as the urban municipalities would get everything.
- The MGA should allow a portion of linear property taxes be collected by the Province and redistributed equitably to municipalities.

### ***Municipal revenue sources***

Comments from participants included that:

- The MGA should provide more clarity regarding provincial grant funding.
  - Municipalities need consistent funding. Constant changes in Municipal Sustainability Initiative funding make it difficult for municipalities to plan long-term and to ensure financial stability.
- The MGA should describe more potential sources of revenue, including reestablishing gas taxes and development levies.
- The MGA should expand the revenue base for municipalities to include broader revenue sources, broader categories, and tax sharing with other levels of government.

### ***Fees and levies***

Comments from participants included that:

- The MGA should provide transparency around what is included in levies, as well as how they are collected and calculated.
  - More clarity is needed as to what levies can and can't be used for.
  - Municipalities should be required to be clear on what levies are collected for. They should not be collected unless the purpose is clear.
  - Fees and levies need to be consistently applied across municipalities. There need to be controls in place to ensure this.
  - A template for reporting the uses of levies every two years is needed.
- A provision is needed in the MGA so municipalities may collect voluntary levies.
- Special tax levies are too narrow in their scope, and should include community programming and beautification.
- There is a need to ensure that revenue from levies is spent in a timely manner, and on what it was meant to be spent on.
- The review period for levies should be mandated under the MGA. This would encourage discussions among stakeholders.
- Franchise fees should be applicable to municipally controlled corporations to ensure a level playing field.

## Municipal Accountability, Liability, and Risk Management

### ***Compliance and accountability***

Comments from participants included that:

- The MGA should establish a mechanism to enforce municipal compliance with the legislation, such as dispute resolution or a tribunal. Such a mechanism should be clear, publically transparent and proactive.
- The MGA should allow for an independent party, such as an ombudsman, to manage accountability.
- Municipalities' compliance with reporting requirements needs more enforcement and monitoring.
- An auditor general should be established to monitor municipal spending and to hold municipalities accountable.

## Municipal Services and Delivery

### ***Service provisions***

Comments from participants included that:

- The MGA should be clearer about the responsibilities and jurisdiction of provincial highways and roadways that pass through municipalities.

## Public Participation and Municipal Relations

### ***Public participation***

Comments from participants included that:

- The Province needs to provide opportunities for stakeholders to be heard prior to decisions being made.
- Locally elected councils often lack industry knowledge, which can affect decision-making. To remedy this, business representatives should be more involved in local decision-making through their local Chamber of Commerce.
- Alberta should consider the former British Columbia model that includes a “business vote” to account for taxpayers who are business owners and who should have electoral representation.

## Assessment and Taxation

The following input was received and documented related to assessment and taxation.

### Taxation and Municipal Finances

#### ***Taxation***

Comments from participants included that:

- Split mill rates should be considered for non-residential properties.
  - Municipalities require the flexibility to set different mill rates for small businesses, as well as to include different business property classifications (similar to the legislation in British Columbia, for example).
  - A split mill rate should be set at a level that encourages the growth of small businesses which should ultimately reduce the burden of all businesses.
- A set ratio between non-residential and residential property tax rates is needed, or caps on non-residential property tax rates, to ensure municipalities remain accountable to larger industries.
  - The MGA should cap the ratio between residential and non-residential mill rates across the province, for example at a ratio of 1:1, 1:2, or 1:5.
    - This would help ensure accountability of tax rates from the municipality to non-voting residents.
  - Establishing some limits on the non-residential property tax rate prevents overtaxing of the business community. Non-residential property tax rates need to be controlled to ensure competitiveness.
  - Linking property tax rates would either result in residential tax rates increasing or a spending decrease by municipalities.
  - If a ratio between residential and non-residential property tax rates is established, this ratio will likely become the default, as municipalities will get the maximum they can from businesses.
- The well drilling equipment tax needs to be broadened to apply to other industries that damage roads.
  - If the scope of the well drilling equipment tax is not broadened, it should be removed since it is not a fair tax.
- The MGA should outline a direct link between what a business is paying in tax and what services they receive. This approach may lend itself well to a user-pay system.

#### ***Fees and levies***

Comments from participants included that:

- Fees are becoming a barrier to assessment information and information sharing. Fees should be eliminated across the province.

- Fees for appealing residential assessments are not working well and are a disincentive to appeal.
- A fee structure should remain to prevent massive amounts of appeals.

## Exemptions from Assessment and Taxation

### ***Exemptions and other special tax treatment***

Comments from participants included that:

- Exemption provisions and principles should be clear within the MGA and the definitions should be in regulation where they can be more easily changed.
- All exemptions should be listed in one place in the MGA, not spread out in regulations.
- Exemptions should not be included in assessments. It would be more transparent to include exemptions in taxation.
- An exemption model where small businesses are exempt from a portion of their taxes could also be considered. The exemption level for small businesses could be based on set assessed value.
- There is a need to ensure exemptions at the local decision-making level are being reviewed in order to recognize changes in organizations.
- The current principle of exempting organizations that are focused on the public good should be maintained.
  - The MGA should tax for-profit health and wellness businesses, such as yoga studios.
- As the Province shifts focus from nursing homes to assisted living centres, the MGA should recognize the profit and non-profit spaces designated by the provincial government as tax exempt.
  - For-profit designated spaces competing with non-taxed Alberta Health Services facilities face competitive disadvantages, which include being unable to fully recover costs.
  - Spaces not designated as exempt by the Province can be taxed because they can recover costs.
- Currently, there is contradictory wording between the MGA and its *Community Organization Property Tax Exemption Regulation*.
  - There is a need to define “non-profit” in the MGA because the current lack of clarity is leading to inconsistent application of non-profit exemptions and an increase in appeals.
- The current wording in the *Community Organization Property Tax Exemption Regulation* is circular, and facilities are not receiving the intended exemptions.
  - The wording must be tightened up and aligned with the MGA to address this inconsistency.

- Currently, residents are being double taxed: first based on the amenities, and then through amenity taxes.
- Community association facilities that are managed by residents' associations are being inconsistently taxed.
  - The MGA should be updated to reflect the increasing prevalence of residents' associations replacing community associations.
    - Language in the MGA should mirror the language in Community Organization Property Tax Exemption Regulation.
    - The MGA should ensure provincial consistency in the exemption of residents' associations.
    - This requires more explicit and clear language under Section 362 (Exemption for Government, churches and other bodies) of the MGA.
  - Residents' associations should be removed from exemption provisions.
  - The MGA should regulate residents' associations established by developers, and collect fees from residences for recreation facilities and amenities.
- The currently legislated carbon dioxide emission reduction requirements should be considered for exemption under the MGA because they are a huge cost for oil and gas industries.
- There needs to be more exemptions and protection under the MGA for landowners who are conducting major renovations on heritage preservation buildings. These historical buildings should be exempt from some taxation until renovation is complete. This would encourage more preservation activities.
- Currently, airport exemptions are not consistent, and the relevant definitions within the MGA need to be updated.

## Market Value, Equalized and Supplementary Assessment

### ***Market value assessment and administration***

Comments from participants included that:

- There are huge variances in market value assessments from year to year, which can compromise predictability for business. Assessed values should be accrued over a cycle, for example a four-year period.
- The MGA should expand the requirement for municipalities to proactively provide information on how assessment values are calculated, including the disclosure of coefficients used to calculate values.
- Annual market value assessment is working well. However, difficulties arise in the application of the assessment.

### ***Equalized assessment***

Comments from participants included that:

- The Province should eliminate equalized assessments, as this mechanism is not working.

### ***Progressive and supplementary assessment***

Comments from participants included that:

- The MGA should not apply progressive and supplementary assessment to industrial properties. Industrial properties should only be subject to taxation when the property is considered complete.
- Despite a project being completed, some businesses may not be at full operational capacity, making it difficult for them to pay full tax rates. The MGA should clarify what, during the completion of a project, it is trying to tax, and outline a tax level that is appropriate for different operational capacities.
  - For example, a start-up and a large-scale, fully-operational business have different capacities to pay.

## **Industrial and Agricultural Property Assessment**

### ***Linear property assessment***

Comments from participants included that:

- Some members of industry experience variability in the taxation of linear properties between municipalities. Predictability in linear property assessments would support competitiveness of businesses in Alberta.
- Assessment of linear property should be conducted like assessment of electrical power generation.

### ***Machinery and equipment property assessment***

Comments from participants included that:

- Machinery and equipment property should remain exempt from education property taxes.
- Machinery and equipment properties should be exempt from taxation entirely.
  - If machinery and equipment property continues to be taxed under the MGA, there should be a fixed and immediate depreciation of 25 per cent that is capped at 40 per cent.
- The current 77 per cent exemption for machinery and equipment is working well.
- The depreciation levels for machinery and equipment properties should remain unchanged.
- The definition of machinery and equipment properties must clearly state what is and is not included.
- Machinery and equipment should be assessed, and there needs to be a consistent application in the progression of taxes.

- The MGA should establish consistency in how tanks are taxed and should assess them as machinery and equipment.
- Pipelines should be taxed as machinery and equipment, not as linear property.

### ***Transportation properties***

Comments from participants included that:

- Main and spur railway lines need to be assessed in a similar manner to machinery and equipment property.
- There needs to be an increased awareness of railways in the MGA, including specific recognition of railways as another type of transportation corridor.

### ***Farm property assessment***

Comments from participants included that:

- Separate tax rates for different farm uses should not be allowed.

## **Assessment Administration**

### ***Assessment administration***

Comments from participants included that:

- In general, the current assessment system is too complex for local assessors.
- More consistency is needed in assessment practices.
  - There should be a centralized assessment body for all industrial properties to ensure consistency across the province. The centralized assessment of linear property is currently working well.
    - Currently, there are huge rate discrepancies on machinery and equipment property across municipalities, which create significant costs for business and industry.
  - An oversight body, such as a review board or audit mechanism, should be created to review assessments across the province, to drive increased consistency.
- Valuation and condition dates should be the same for all property types.
- The taxation year should be moved until after assessment appeals are completed.
- More conversations are needed between assessors and ratepayers prior to taxation decisions.
- The tax roll and values should be available for all municipalities free of charge. However, this is expensive to administer for small municipalities.

## Public Participation and Assessment Appeals

### ***Public participation***

Comments from participants included that:

- Shorter complaint periods must be accompanied by the duty to consult.
- Information exchange processes need to be improved. There is a need for more enforcement to ensure municipalities provide information to ratepayers. This would lead to fewer appeals and escalations to the Minister of Municipal Affairs.
- There should be provisions in the MGA outlining what information municipalities are required to provide.
- Assessment notices should provide more information about how the assessment was determined.

### ***Assessment complaints and appeals***

Comments from participants included that:

- The burden of evidence in assessment appeal hearings should be reversed so municipalities and assessors have to prove the assessment is correct during appeals, rather than the appellant having to prove that the assessment is incorrect.
  - Mediation should be mandatory in assessment appeals. Assessors must be open to discussing how they arrived at the assessment.
- The MGA should not allow council members to participate on assessment review boards to ensure the board's neutrality and impartiality are upheld.
- The board of appeals should be provincial. The appeal board must have expertise and not have, or be perceived to have, any conflicts of interest.
  - The MGA should ensure that people hearing the appeal are appointed by the Province, as opposed to council. This ensures neutrality and impartiality of appeal board decisions.
  - There should be mandatory joint assessment review boards with regional membership.
- The MGA should provide for more consistency of decision-making for local appeals across the province.
- There needs to be an assessment appeal body that is separate from the municipality for individual assessment appeals.
- Different business types should not be treated the same in the assessment appeals system. Small business owners generally do not have the same capacity as large industry.
  - Smaller businesses that are looking to appeal their assessments should have a separate appeal mechanism to conduct their appeals.
- The composite assessment review board system is not working well for large industrial property appeals.
  - A centralized appeal board, such as the Municipal Government Board, with more knowledge of complex appeals, needs to handle all industrial property appeals.

- The MGA should strengthen its wording for how municipalities can deal with their local composite assessment review board.

***Municipal Government Board***

Comments from participants included that:

- The MGA should regulate that complex industrial appeals automatically go to the Municipal Government Board.
- The MGA should require the Municipal Government Board to provide rationale for its decisions. This will lead to greater transparency of decision-making.
- The Municipal Government Board should take into consideration the fact that both municipalities agree in cases of friendly annexation.
- The Municipal Government Board should evenly balance rural needs and urban development needs in annexations.
- The Municipal Government Board should still take into account the needs of individual landowners.

## Planning and Development

The following input was received and documented related to planning and development.

### Fees and Levies

#### *Fees and levies*

Comments from participants included that:

- Offsite levies should not be accounted for in general revenues.
- Offsite levies are a burden on developers. There is a need for more structure on what can be included in an offsite levy.
  - Principles and criteria for offsite levies are needed.
- When the municipality is the developer, the MGA should ensure that where levies are required, both private developers and municipal developers should pay the levies.
- Municipalities should be able to appeal offsite levies.
- Municipalities should be required to submit an offsite levy bylaw to a provincial inspector for review of what is being levied and how much is being collected. This should be a timely process.
- The MGA should maintain the municipal community revitalization levy. Community revitalization levies are important in developing underdeveloped areas.
- There needs to be more options or tools for revitalization or inner city levies to assist with development costs. This would assist in the funding of infrastructure like streetlights.
- A balance is needed regarding whether the developer or the homeowner pays when levy amounts increase.
  - Bonds should be an alternative to fees and levies. Homeowners within the benefitting area would pay into the bond.
  - This would be similar to Tax Increment Financing or a community revitalization levy, but used for greenfield development. Jurisdictions within the United States have implemented this approach.
- The local improvement levy needs to be more transparent.
- The MGA should rename the business revitalization zone levy to “Business Improvement Area,” similar to other areas in Canada.

- The MGA should create more certainty around business revitalization zone levies.
  - There needs to be more clarity and better descriptions that more accurately capture what business revitalization zones do and are responsible for, as well as how they function.
  - The description of business revitalization zones needs to be redefined so that their purpose is “to advocate, promote and create a vibrant commercial area where community and business flourish.”
  - The MGA should strengthen the provision to protect business revitalization zones.
    - The city or municipality has too much authority to govern and change the business revitalization zone provision by interpretation.
  - The MGA should create more transparency around the administration fee for business revitalization zones.
  - The MGA should provide information on business tax assessments for business revitalization zone levies to be recalculated.
  - The best practices for business revitalization zone may need to be re-examined.
  - There needs to be clarification in the MGA on whether it is the responsibility of the property owner or the tenant to pay the business revitalization zone levy.
    - Clarity is also needed on how the business revitalization zone boards will determine membership if the property owner is the one responsible for paying the levy.
  - The audit frequency for business revitalization zones needs to be reviewed, especially for smaller zones. Smaller business revitalization zones should only require a full audit once every three years.
- The MGA should allow for the business revitalization zone to become taxable.
- The MGA should provincially exempt business revitalization zones from tax, as their intent is to develop and improve communities.
  - The business revitalization zone’s office should be exempt from the collection of the business revitalization zone levy.
- The MGA should outline more consistent definitions for the use of redevelopment levies as a tool for municipal revenue generation.
  - Clarifications within the MGA should also consider that developers already face high costs when developing within the inner city.
  - Implementing additional levies may provide incentive for development outside the inner city.

## Land Management and Planning Tools

### ***Statutory plans and land use bylaws***

Comments from participants included that:

- More clarity is needed when it comes to the definition and enforcement of statutory plans under the MGA.
- The uses of bylaws are being abused. The MGA must outline enforcement provisions to help prevent this.

## Subdivision and Development Authorities and Processes

### ***Planning authorities***

Comments from participants included that:

- Municipal planning commissions are making policy and stepping outside their authority. This is not working well because Municipal Planning Commissions cause delays, which in turn drive up house costs.

### ***Administrative decision-making processes***

Comments from participants included that:

- The MGA should outline stricter timelines for municipal decisions regarding land use, as well as consequences for municipalities not meeting deadlines. This may, however, result in municipalities simply denying appeals and decisions when faced with encroaching deadlines.
- Municipalities must let applicants know within 15 days if the application has sufficient information to proceed. Decisions should be made within 60 days.
- Less intensive land uses should not require the full notification process.
- The MGA needs to recognize and coordinate more of the development around railways.
  - Rail companies need to have increased access to information surrounding issues that arise during developments, and the MGA should include more integrated planning mechanisms that include rail properties.
  - There should be notification requirements when developments are proposed within a certain distance from a railway.
  - Rail companies should have the opportunity to appeal or voice a position during development proposals near railways.
  - Railway should be considered in development approvals for setbacks.

## Land Dedication and Use of Reserves

### ***Land dedication (reserves)***

Comments from participants included that:

- When cash-in-lieu of reserve land is received, these funds need to be used to benefit the community. There should be more transparency in how this money is spent.
- Land that is dedicated as reserve, especially a school reserve, is often underutilized for the purpose in which it was collected.
  - School boards need to review the amount of land that is required for schools on a regular basis, because less than half of the sites dedicated are actually being used for schools.
- If a municipality collects less than 30 per cent reserves, public reserves should not be allowed.
  - Municipal reserve should be decreased from 10 per cent to five per cent of land.
  - Instead of a 10 per cent reserve, a fund should be set up that developers pay into to help purchase school sites.
  - If municipal reserves are greater than five per cent, the MGA should require that a needs analysis be completed to justify reserving so much land.
- The MGA should place a cap on reserve land. If land is not developed for its intended purpose, then the land should be turned back to the developer.
- Land that has already been dedicated should be repurposed as needed, for example to be used for seniors housing.
- Environmental reserve provisions should be reviewed and be better defined in the MGA
  - Municipalities are requesting lands that should not be considered as environmental reserve.
  - Environmental reserves should include floodways, rivers and streams.
  - The MGA needs to align with other legislation that defines what a water body is.
- If a road is not required to service a development, it should be purchased by the municipality, not acquired through land dedication.

## Regional Approaches

### ***Municipal relationships and dispute resolution***

Comments from participants included that:

- The MGA should provide for an independent third-party mediator prior appeals. This would reduce the number of appeals in the system.
  - Alternative dispute resolution and mediation would be much more comfortable for ratepayers than the current appeals process.
  - Alternative dispute mechanisms may also be applicable to inter-municipal disputes.

- Alternative dispute resolution may be more cost-effective in the long term, as costly appeals processing will be avoided.
- Adding mediation would require adding another layer into the process and may not be a good idea.

### ***Managing growth and development***

Comments from participants included that:

- There is a need for more clarity on how the MGA and *Alberta Land Stewardship Act* interact with one another. Regional plans make broad statements that will impact large cities down the road, and the two acts will come into conflict with each other.

## **Public Participation and Planning Appeals**

### ***Public participation***

Comments from participants included that:

- The MGA should outline how and when public participation should occur.

### ***Planning and inter-municipal appeals***

Comments from participants included that:

- “Not in my backyard” movements are becoming too powerful, and these types of appeals should be more accountable.
- There is currently a perceived lack of impartiality at the local subdivision and development appeals board level.
  - Subdivision and development appeal board members need more expertise to manage individual appeals.
  - There needs to be clearer and more neutral membership requirements for subdivision and development appeals board members to ensure qualified people are on it.
  - Members of subdivision and development appeal boards should be required to be at an arm’s length from the municipality, and not include council members.
- The MGA should define an impartial body beyond local subdivision and development appeals boards as a dispute resolution mechanism.
- Subdivision and development appeals board and Municipal Government Board decision timelines are not being complied with, and more enforcement is needed.
- The MGA should establish the ability to appeal a land-use decision by council.
- A provincial board should be created to hear individual appeals.

## Appendix A: Session Agenda

### *MGA Review: Business and Industry Session*

Agenda Item	Timing
<b>1. Welcome and introductions</b>	9:00-9:10
<b>2. Potential topics for discussion:</b> The following topics will be available for table discussion: <b>Governance and Administration</b> <u>Subject 1: Municipal Powers, Structures, Annexations and Other Changes</u> <ul style="list-style-type: none"> <li>• Municipal powers</li> <li>• Municipal structures</li> <li>• Fundamental changes and municipal restructuring</li> </ul> <u>Subject 2: Municipal Governance and Administration</u> <ul style="list-style-type: none"> <li>• Municipal governance</li> <li>• Municipal administration</li> </ul> <u>Subject 3: Municipal Finances</u> <ul style="list-style-type: none"> <li>• Financial administration</li> <li>• Regional funding approaches</li> <li>• Municipal revenue sources</li> <li>• Fees and levies</li> </ul> <u>Subject 4: Municipal Accountability, Liability, and Risk Management</u> <ul style="list-style-type: none"> <li>• Compliance and accountability</li> <li>• Liability and risk management</li> <li>• Provincial powers</li> </ul> <u>Subject 5: Municipal Services and Delivery</u> <ul style="list-style-type: none"> <li>• Service provisions</li> <li>• Regional services commissions</li> <li>• Municipally controlled corporations</li> </ul> <u>Subject 6: Public Participation and Municipal Relations</u> <ul style="list-style-type: none"> <li>• Municipal relationships and dispute resolution</li> <li>• Public participation</li> <li>• Municipal Government Board</li> </ul> <b>Assessment and Taxation</b> <u>Subject 1: Taxation and Municipal Finances</u> <ul style="list-style-type: none"> <li>• Taxation</li> <li>• Municipal revenue sources</li> <li>• Fees and levies</li> </ul> <b>Assessment and Taxation Continued</b>	9:10-9:20

Agenda Item	Timing
<p><u>Subject 2: Exemptions from Assessment and Taxation</u></p> <ul style="list-style-type: none"> <li>• Exemptions and other special tax treatment</li> </ul> <p><u>Subject 3: Market Value Equalized and Supplementary Assessment</u></p> <ul style="list-style-type: none"> <li>• Market value assessment and administration</li> <li>• Equalized assessment</li> <li>• Progressive and supplementary assessment</li> </ul> <p><u>Subject 4: Industrial and Agricultural Property Assessment</u></p> <ul style="list-style-type: none"> <li>• Linear property assessment</li> <li>• Machinery and equipment property assessment</li> <li>• Transportation properties</li> <li>• Farm property assessment</li> </ul> <p><u>Subject 5: Assessment Administration</u></p> <ul style="list-style-type: none"> <li>• Assessment administration</li> </ul> <p><u>Subject 6: Public Participation and Assessment Appeals</u></p> <ul style="list-style-type: none"> <li>• Public participation</li> <li>• Assessment complaints and appeals</li> <li>• Municipal Government Board</li> </ul> <p><b>Planning and Development</b></p> <p><u>Subject 1: Fees and Levies</u></p> <ul style="list-style-type: none"> <li>• Fees and levies</li> </ul> <p><u>Subject 2: Land Management and Planning Tools</u></p> <ul style="list-style-type: none"> <li>• Statutory plans and land use bylaws</li> </ul> <p><u>Subject 3: Subdivision and Development Authorities and Processes</u></p> <ul style="list-style-type: none"> <li>• Planning authorities</li> <li>• Administrative decision-making processes</li> </ul> <p><u>Subject 4: Land Dedication and Use of Reserves</u></p> <ul style="list-style-type: none"> <li>• Land dedication (reserves)</li> </ul> <p><u>Subject 5: Regional Approaches</u></p> <ul style="list-style-type: none"> <li>• Municipal relationships and dispute resolution</li> <li>• Managing growth and development</li> <li>• Regional funding approaches</li> </ul> <p><u>Subject 6: Public Participation and Planning Appeals</u></p> <ul style="list-style-type: none"> <li>• Municipal Government Board</li> <li>• Public participation</li> <li>• Planning and inter-municipal appeals</li> </ul>	
<p><b>3. Change tables (if needed)</b></p>	<p>9:20-9:25</p>

Agenda Item	Timing										
<p><b>4. Table facilitation</b></p> <ul style="list-style-type: none"> <li>▪ Two topics will be prioritized for discussion for each block</li> </ul> <table border="1" data-bbox="310 478 1156 806"> <tr> <td data-bbox="310 478 618 558"><b>Block 1: 9:25-9:55</b></td> <td data-bbox="618 478 1156 558">Governance and Administration Topics</td> </tr> <tr> <td colspan="2" data-bbox="310 558 1156 604" style="text-align: center;"><i>Break (10 mins)</i></td> </tr> <tr> <td data-bbox="310 604 618 684"><b>Block 2: 10:05-10:45</b></td> <td data-bbox="618 604 1156 684">Assessment and Taxation Topics</td> </tr> <tr> <td colspan="2" data-bbox="310 684 1156 730" style="text-align: center;"><i>Break (10 mins)</i></td> </tr> <tr> <td data-bbox="310 730 618 806"><b>Block 3: 10:55-11:35</b></td> <td data-bbox="618 730 1156 806">Planning and Development Topics</td> </tr> </table> <ul style="list-style-type: none"> <li>▪ Discussion will focus on what is working well, desired changes, and potential impacts of changes to the legislation</li> </ul>	<b>Block 1: 9:25-9:55</b>	Governance and Administration Topics	<i>Break (10 mins)</i>		<b>Block 2: 10:05-10:45</b>	Assessment and Taxation Topics	<i>Break (10 mins)</i>		<b>Block 3: 10:55-11:35</b>	Planning and Development Topics	9:25-11:35
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<p><b>5. Open discussion</b></p> <ul style="list-style-type: none"> <li>▪ Are there any other relevant topics participants want to address?</li> </ul>	11:35-11:55										
<p><b>6. Wrap-up</b></p>	11:55-12:00										