



City of Edmonton Submission

City Council Approved July 12, 2016

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PREAMBLE

In November 2013, the Government of Alberta officially launched a review of the *Municipal Government Act* (MGA), the guiding legislation for all municipalities in Alberta. This is the first formal and complete review of the legislation since its inception in 1995. At that time, the MGA was considered leading edge in the country, particularly because of the newly-introduced concept of natural person powers for municipalities. Today, the MGA continues to be the guiding legislation for Alberta municipalities, and the Government of Alberta has introduced amendments to the MGA on two occasions during the span of this review:

- Bill 20: *Municipal Government Amendment Act*, passed in March 2015; and
- Bill 21: *Modernized Municipal Government Act*, introduced on May 31, 2016.

Since the formal MGA Review process was launched, the City of Edmonton has been actively engaged in consultations with the Government of Alberta, municipal and community stakeholders, industry representatives, and members of the public. The City has also provided Council approved recommendations for the updated MGA through its formal submission in June 2014 and other opportunities for input during the review process.

Below is the City of Edmonton's perspective on the amendments included in Bill 21: *Modernized Municipal Government Act*. The views and recommended amendments reflected in this submission continue to reflect positions and high-level issues that the City of Edmonton put forward in its June 2014 Submission to the MGA Review; a document compiled through consultation with a cross-section of community stakeholders from education, business, industry, non-profits and various communities of interest. The June 2014 submission also included key principles that guided the City's positions throughout the consultations. In regards to the City's position on the future of the MGA and the tools our city needs to succeed, these principles are as applicable today as they were two years ago and as such are included here as well.

In order to ensure Albertans receive the best services possible, within a stronger and more prosperous Alberta, the new MGA should:

- Support the complex and unique needs of Alberta's bigger cities, rather than take a one-size-fits-all approach to serving all of Alberta's municipalities.
- Recognize the already high standards of responsibility and accountability that cities like Edmonton demonstrate.
- Complement efforts between the City of Edmonton, City of Calgary and Government of Alberta to create City Charters.
- Support municipalities by providing them with predictable funding and the financial tools needed to be more fiscally sustainable over the long term.
- Enable regional approaches that result in orderly development and equitable distribution of the benefits and costs associated with growth of regional significance.
- Provide municipalities with increased flexibility and support the role clarity needed to respond to local needs.

- Remove restrictions that prevent municipalities from being more effective and efficient in how they collaborate, engage and support their local decision-making processes.
- Leverage the unique abilities of larger urban centres to help establish best practices and drive economic growth through higher levels of autonomy.

The amendments proposed to the MGA in Bill 21 do encourage enhanced regional collaboration - a consideration that is very important to the City of Edmonton. However the MGA would continue to take a one-size-fits all approach to all Alberta municipalities in most aspects of municipal governance, assessment and taxation, and planning and development. While the creation of City Charters was enabled through amendments reflected in Bill 20 in 2015, the MGA continues to present significant limitations against supporting the more complex challenges facing our city. We look forward to our continuing involvement in the City Charter process, as changes reflected in Bill 21 do not negate the need for this important piece of work to facilitate the long-term success of our City.

Changes reflected in Bill 21 are also silent on the need for predictable funding to support municipalities. This is of concern for the City. The legislation should clarify roles and responsibilities; it should also provide municipalities with the fiscal certainty needed to best deliver the services and infrastructure our citizens expect. A new mix of revenue tools and transfers that includes property tax had been requested, though not reflected in the amendments to the MGA included in Bill 21. A diversity of revenue sources tends to be more equitable overall than any single tax; just as the province does not rely on one form of taxation, neither should cities like Edmonton to ensure an equitable tax structure that distributes the cost of running the municipality appropriately. Recommended amendments in this regard are included below.

In addition, numerous legislative amendments requested by the City in the area of Assessment and Taxation were not addressed in the legislative changes proposed in Bill 21 (or the preceding Bill 20, 2015). These will be readvanced Administration-to-Administration through a separate submission as was the previous process.

It is important to also note that, for brevity, this submission does not expand on the many high-level concepts embedded in the MGA that are considered key strengths and should be preserved. For instance: the recognition of the municipality's primary role in providing good government, services and facilities that address the needs of its residents; the existing separation of roles between elected officials and administration; and the ability for municipalities to exercise natural person powers.

We look forward to continuing to engage in the MGA review process over the coming months through amendments to Bill 21, and the (re)drafting of supporting regulations.

1.0 GOVERNANCE AND ADMINISTRATION

In order for municipalities to move forward in an increasingly complex and globally competitive environment, the MGA must be an instrument that recognizes and supports Alberta’s two largest cities in their role as autonomous corporations accountable to a local population base. It needs to embody the acknowledgment that cities like Edmonton are major drivers of the province’s economy, and increasingly provide infrastructure and social services beyond their municipal boundaries. The MGA needs to set the tone for a relationship that benefits all Albertans, by providing cities with the ability to determine governance structures that will allow them to thrive and prosper for the benefit of the entire province.

In moving forward with a renewed MGA, the City of Edmonton’s underlying principle for governance is a recognition of the unique importance and contribution of cities to the success of the province (which necessitates an enhanced provincial-municipal relationship), and a framework of increased municipal authority and flexibility in determining its governance structures and processes in order to meet its needs now, and in the future. In doing so, the MGA should preserve responsive, transparent and accountable local governments by imparting clarity of roles, clear authority, and independence between administration and the elected body with the continuance of a Council/Chief Administrative Officer model.

1.1 Parental Leave

Recommendation:

Allow Council to create a policy to permit a Councillor to be absent from Council meetings if the Councillor's absence relates to the Councillor's pregnancy, or birth or adoption of a child by the Councillor or their spouse, and define the parameters of such policy. And as long as the Councillor complies with the policy it is an exception to disqualification.

1.2 Controlled Corporations

Recommendation:

Allow cities to exercise their natural person powers within their full spheres of jurisdiction, to establish controlled corporations without Ministerial approval; and extend protection from lawsuits and restrictions on liability to wholly owned municipal corporations.

1.3 Councillor Training

Recommendation:

Amend Bill 21 so that legislation states that both offering training (by administration) and attending the Council training (by members of Council) be mandatory.

1.4 Provincial Oversight - Ombudsman

Recommendation:

Refine the amendment included in Bill 21 to apply only to municipalities that do not have another form of oversight, such as a City Auditor, as is the case in Edmonton.

1.5 Electronic Mailing

Recommendation:

Further amend the MGA to allow for digital portals (similar to banks). The use of digital portals has the potential for huge cost savings as it relates to various types of tax and assessment communications.

1.6 Liability – Joint & Several Thresholds

Recommendation:

Provide further protection to municipalities from liability caused by a municipality or its employees.

- Provide a good faith standard of liability before liability can be found against a municipality for all matters. Alternatively, at least matters such as exercise of statutory remedial powers, contamination of property, and development permit decisions where the protection should cover both the employees and the municipality;
- Provide that joint and several liability under the *Contributory Negligence Act* does not apply to municipalities such that municipalities are only responsible for their own degree of responsibility in cases of joint or several, concurrent tortfeasors;
- Provide a higher standard of liability for higher risk activities that also have a strong public benefit. For example, all claims relating to owning, building and maintaining recreational facilities should have to meet the standard for a trespasser such as is the case for recreational trails under the *Occupiers' Liability Act*.
- The municipality and its employees should be protected by a good faith standard for the action or inaction of peace officers, police officers, and bylaw enforcement officers whose duties are high risk but high public value.

1.7 Liability – Public Infrastructure

Recommendation:

Provide a limitation period for any person claiming compensation for damages arising from a road closure. The limitation period for road closures under section 23 of the MGA should be the same as the limitation period arising from access closures under s. 29 of the Highway Development and Protection Act which is one year from the date of removal.

Restrict provisions for compensation for municipal public work to a narrow category of public works. Under section 534 of the MGA the definition of a “Public work or structure” should be included and more narrowly defined. Currently there is confusion

around upgrading, repairing or replacing a public work and constructing a new public work. In addition, construction completion can be clearly signified using the date of execution of the construction certificate of completion (CCC), so it is clear that it is not the date of inspection.

1.8 Liability and Risk

Recommendation:

The MGA needs to extend immunities from lawsuits and restrictions on liability to wholly owned municipal corporations. This would allow all municipalities to select the best service delivery model for a project without being limited by significant insurance costs, or limited insurance coverage, because the work is not being done by the municipal corporation itself.

1.9 Bylaws – Clerical Amendments

Recommendation:

Allow for the revision of bylaws without a bylaw specifically adopting them, in cases where the revision is to correct clerical errors or to make minor changes.

- Remove restrictions that prevent municipalities from being more effective and efficient in how they support their local decision making processes.
 - For example, under current legislation if a bylaw contains a typographical or obvious wording error, or a transposition, Administration is forced to do a formal Clerk's correction memo, and then a report to Council for adoption. This takes away time from Council's more important role of setting strategic policy direction.

1.10 Bylaws – Jurisdiction

Recommendation:

Expand the scope of municipal bylaws to include any municipal purposes.

- This change would provide municipalities with increased flexibility to respond to local needs. Municipalities are incorporated bodies accountable both to their electorate and the Minister for providing good governance within their geographic boundaries.

1.11 CAO Duties/Powers

Recommendation:

The MGA needs to provide the Chief Administrative Officer (CAO) with the flexibility needed to most effectively manage all aspects of the municipal corporation's operations and administration in accordance with strategic policy direction from Council (through preserving the continuance of a Council/CAO model).

- The focus of the legislation needs to be on the role played by the CAO, not itemizing the discrete powers, duties and functions that a CAO would perform. The CAO

manages the corporation for the purpose of implementing the policy and strategic goals of the municipality's Council.

- In the case of big cities, the role of CAO should be broad, with the powers normally associated with that corresponding position in other large corporate structures.

2.0 ASSESSMENT AND TAXATION

The principles and issues surrounding assessment and taxation are set in a significantly different context than the remainder of the MGA. Assessment and taxation principles should be legislatively clear and defined rather than offer increased flexibility.

With that in mind, the following principles have been applied in order to guide the City's involvement in discussions and recommended amendments related to assessment and taxation during the MGA review:

- Fairness, Equity and Accuracy
 - Through internationally recognized standards of market value mass appraisal, all properties are assessed and taxed based on common principles to achieve fairness, equity and accuracy.
- Openness and Transparency
 - The City should strive to provide easy access to assessment information while maintaining a consistent and clear market value approach. However this must be done in a way that allows for the collection of, and ensures the protection of, confidential and financial data obtained from taxpayers that is used in the assessment process. Decisions on tax policy must be clearly separated from the assessment approach.
- Legislative Clarity, Efficiency and Stability
 - The legislation must clearly articulate provincial government policy while maintaining an efficient and stable assessment and taxation system.
- Administrative Consistency, Efficiency and Stability
 - There must be a clear separation between the policy setting mandate of the provincial government and the administration of the assessment and taxation system.

2.1 Splitting the Non-Residential Property Classes¹

Recommendation:

Municipalities such as Edmonton should have the ability to both create and define non-residential sub-classes at the municipal level in a similar manner that already exists for residential sub-classes. Further, amendments must also include the ability to assign both residential and non-residential subclasses to a single property.

¹ This was identified as a specific priority area by City Council and more information can be found in the attachment: Tax Subclasses and Ratios

2.2 Additional Municipal Taxation and Levy Powers

Recommendation:

Consistent with what the City requested in its June 2014 MGA Submission, the following amendments regarding taxation and levy powers should be considered:

- Transfer certain types of provincial taxation powers to municipalities and allow them to retain the revenues.
- Allow for additional municipal taxation powers that are applied at the discretion of the municipality.
- Options that provide municipalities with predictable funding and the financial tools need to be more fiscally sustainable over the long term.
 - This should result in a new mix of revenue tools and transfers that includes property tax, that Edmonton can access to deliver the services and infrastructure that are required to meet citizens' needs.
 - These should include tools and transfers that: recognize Alberta's two largest cities have costs that are different and exceed the norm; can erase inequities between municipalities; are elastic and recognize - and by extension continue to spark - the contributions that big cities make to Alberta's economic growth; support the roles and responsibilities Edmonton is required to fulfill.
 - Expanding allowances for special tax is one step, but alone will not address funding issues.

2.3 Sharing of Provincial Revenues

Recommendation:

Consistent with what the City of Edmonton requested in its June 2014 MGA Submission, the following amendments regarding provincial revenue sharing should be considered:

- A base level of core funding should be legislatively protected, and a percentage of the annual provincial revenue is transferred to municipalities.
 - Providing predictable funding would help avoid volatility in relying on year-to-year/one-time grants, and recognizing growth in provincial GDP/income levels.
 - Additional considerations could also help offset some of the additional cost urban taxpayers bear to support services benefiting the region and province's greater good.
 - As well, any legislated areas of responsibility depend on stable funding - increased sharing of social policy responsibilities requires increased sharing of available revenue streams.

2.4 Regional Revenue Pooling and Compensation

Recommendation:

The MGA needs to:

- Allow linear and machinery & equipment assessment and resulting taxes to be pooled for a whole geographic area (larger than a municipality) to support regionally approved infrastructure projects. This would help deal with the issues of fiscal imbalance and inequity within the region; and
- Allow for municipal reimbursement for costs associated with the assessment and tax function required to collect the provincial education requisition.
- Municipalities are incurring increased costs to address province-wide issues that should be shared provincially.

2.5 Access to Information²

Recommendation:

Clarifying the intent behind the exchange of information requires:

- A section to allow municipalities to make requests under section 299 (Access to assessment record) to the Provincial assessor.
- Bill 21 to amend sections 294, 295, 296, 299 and 300 to provide additional clarity and allow for appropriate changes in upcoming regulation.

2.6 Court Review of ARB Decisions

Recommendation:

Under Bill 21, the ability to appeal ARB decisions to the Court of Queen's Bench has been removed. If the Province wishes to limit review of ARB decisions to only judicial review, then the City would seek a legislated standard of review of reasonableness and to implement a privative clause.

- Suggestion in doing this to either implement a standard of review of reasonableness, and to implement a privative clause. In addition, the drafting should be limited as much as possible to questions of law and jurisdiction.

2.7 Designation of Municipal Assessor

Recommendation:

Section 284.2 should be amended to refer to the municipal assessor as a designated officer.

² This was identified as a specific priority area by City Council and more information can be found in the attachment: Access to Information

2.8 Centralized Industrial Assessment

Recommendation:

The amendment included in Bill 21 to move to a centralized system is likely due to a variety of inconsistencies in assessment of industrial property. However, this inconsistent treatment is due to a lack of legislative clarity and provincial oversight/audit. The current drafting does not address these issues. As such, the City recommends amending as follows:

- Eliminate the amendments related to centralized assessment and address the foundational issues related to the assessment of major regulated industrial property.
- Legislation should clarify whether the equalized assessment includes the assessment of designated industrial properties.
- Legislation should ensure designated industrial properties, or portions thereof, that are currently subject to education tax, remain subject to education tax. To remove education tax from designated industrial properties will shift the tax burden to other taxpayers.
- It is unclear whether equalized now includes designated industrial - it likely does, but clarity here would be preferred.

2.9 Brownfields – Assessment

Recommendation:

Clarity needs to be provided on what the new proposed section 364.1(10) is trying to accomplish. There needs to be more clarity on why a tax exemption or tax deferral once granted to a brownfield property remain valid regardless of a bylaw amendment or repeal.

2.10 Brownfields – Complaint Process

Recommendation:

A brownfield contamination complaint should be separated from the assessment complaint review process. By tying the two issues together on the assessment notice this will create a second appeal on the assessment of a property in the same taxation year.

2.11 Assessment Complaint Process

Recommendation:

Changes to the complaint form, and the assessment complaint process are required; including a reduction to the complaint period, stronger language as it relates to the filing of assessment complaints, and fair timelines on the disclosure of information in the assessment complaint process.

2.12 Closed Assessment Complaint Hearings

Recommendation:

While there are no issues with having closed hearings, the legislation cannot be written in a way that allows complainants to use these closed hearings to get confidential information about other properties. The current wording would encourage this. In addition, while the legislation forces parties to sign an undertaking there is no obvious penalty for the breach of this undertaking.

- Section 61 of Bill 21 should be amended to make it clear that the sealing of the documents relates solely to confidential information about the complainant or the property that is the subject of the complaint, and enact some form of penalty for breach of the undertaking.

2.13 Basis of ARB Decisions

Recommendation:

The MGA should make it clear that ARB decisions should be based on mass appraisal principles.

2.14 Assessment Corrections

Recommendation:

Legislation should be further amended such that the ability to increase an assessment is clearly allowed under corrections. In addition, the legislation needs to be written in such a way that an error is defined broadly.

2.15 Linking Residential and Non-Residential Tax Rates³

Recommendation:

Section 55 of Bill 21 should be further amended so that the proposed 5:1 ratio only applies to the main assessment classes and that assessment subclasses (as defined in regulation) not be included in the ratio.

2.16 Progressive Assessment

Recommendation:

Section 24 of Bill 21 needs to be amended so that progressive assessments apply during the construction of projects even if there are portions of the property that are going to be used for manufacturing and processing.

³ This was identified as a specific priority area by City Council and more information can be found in the attachment: Tax Subclasses and Ratios

2.17 Supplementary Assessment

Recommendation:

Additional clarity and additional powers need to be reflected around issuing supplemental assessments in certain situations. In keeping with the principles of fairness, equity and accuracy:

- Supplementary assessments should be applied once Machinery and Equipment and Linear property is complete rather than operational.
- Supplementary assessment should also apply to land (particularly when it switches from regulated to market value)

2.18 Tax Requisition

Recommendation:

Edmonton property owners should not share in the cost of assessing properties, including linear property, outside of Edmonton. This section should be further amended to provide clarity that the cost of the preparation becomes a requisition only within the municipality where the designated industrial property resides.

2.19 Contents of Roll

Recommendation:

Current drafting and existing legislation specifies taxable status be included on the assessment roll. Any indication of taxable status should be limited to the tax roll. This includes, but is not limited to, deferrals and exemptions.

2.20 Education Property Tax Collection

Recommendation:

- Allow for municipal reimbursements for costs associated with the collection of education taxes.
- Remove education tax exemptions from machinery and equipment property and electric power generation properties.
 - All types of regulated industrial property would pay education tax.
 - Education property tax incentives would be in the form of income tax credits or other provincially administered incentives.
- All municipalities should be required to issue supplemental assessments or the province should not collect additional education tax on properties that are issued supplemental assessments. Revenue from supplemental assessments is not part of the provincial requisition, but is collected anyway. Not all municipalities utilize the supplemental assessment process – resulting in increased provincial taxation on select municipalities.

2.21 Property Tax Recovery

Recommendation:

Provide more flexibility in the tax recovery process to allow municipalities a greater ability to recover unpaid taxes in a timely manner, including unpaid taxes on Crown land.

- Greater flexibility and powers are needed with respect to all aspects of the property tax recovery process, and is particularly relevant for abandoned contaminated properties held by corporations no longer in existence (i.e., struck corporations).

2.22 Industrial Property Definitions – Machinery and Equipment

Recommendation:

Machinery and Equipment needs to have:

- Its assessment and taxation reference be abolished. This will result in a large percentage of the property currently assessed as machinery and equipment to become assessable as buildings and structures.
- As a less preferred alternative, its definition updated and embedded tax reductions reviewed.

2.23 Industrial Property Definitions – Linear Property

Recommendation:

Linear property needs to have:

- Its embedded tax reductions (built into the assessment values) reviewed;
- Its valuation updated to reflect current values; and
- Its definition updated to reflect rapid changes in technology.

2.24 Farm Property – Assessment of Farm Residences

Recommendation:

Farm properties receive an assessment exemption on farm residences that are based on the total assessed value of any owned or leased farm land. This exemption should be removed.

- The purpose and amount of this exemption has not been updated since the 1980s.
- This exemption does not apply to residences on acreages.
- This exemption results in a shift of the education requisition to other taxpayers - particularly in urban areas.

2.25 Farm Property – Assessment of Farm Land

Recommendation:

Edmonton's preference would be a pure market value approach. If market value assessment for farmland was implemented, this would ensure correct, fair and equitable

assessments, but would still allow for exemptions or reductions within provincial tax policy.

- Farmland needs to have:
 - o Its value updated, which could be accomplished:
 - Ideally by changing the productivity value of farmland to a market value; or
 - As a less preferred alternative, by updating the productivity value to reflect current valuation rates.
 - o Its definition updated to provide clarity for assessors and property owners.
 - o A tax payback option provided to the local jurisdiction similar to what is implemented in several other jurisdictions across Canada and the US.

2.26 Exemptions – Review and Clarity⁴

Recommendation:

The MGA and regulations regarding exemptions need to be refined to more clearly delineate what is and is not exempt from either assessment or taxation. This would allow taxpayers to better determine how much tax is being shifted as a result of the exemption.

2.27 Grants – Criteria and Foundation for GIPOT Provision

Recommendation:

A focused review of the Grants in Place of Taxes (GIPOT) program that would consider the array of criteria and valuation standards appropriate for basing any GIPOT program should be undertaken.

- Edmonton further recommends providing a grant to municipalities based on the number of post-secondary students and short/long term beds within its borders (similar to Ontario’s “Heads and Beds” grant) and provide grants in-lieu of taxes to help offset some of the costs municipalities bear to support non-profits benefiting the region and the province’s greater good.
- Review of GIPOT programs should also consider the province’s approach to affordable housing.

2.28 Exemptions – Review of Specified Non Assessable Property

Recommendation:

Assessment exemptions are for public infrastructure only, or for items that could be considered to meet the definition of property but are traditionally not assessed. Certain privately-owned property, such as private roads or dams, should no longer be exempt from assessment.

⁴ This was identified as a specific priority area by City Council and more information can be found in the attachment: Exemptions

- Edmonton continues to advocate that decisions on tax policy must be clearly separated from the assessment approach.

2.29 Condition and Valuation Dates

Recommendation:

The condition and valuation date needs to be combined and moved to an early point in the year to support earlier notification to property owners of their property's assessed value in September of the assessment year for taxation the following year. A new cycle has the benefits of:

- Completion of many ARB decisions before tax bylaw, which will reduce City risk and budget need while providing property owners with greater certainty;
- Minimal corrections/refunds and tax notice reprints;
- Clearer monthly payment program;
- Improved workload distribution – valuation and court cycle separated;
- Little to no variance for City budget purposes;
- Enhanced communication, including sending assessment notices before the budget is set and ARB decisions being reflected in tax notices.

2.30 Housekeeping and Minor Legislative Issues

Recommendation:

There are a number of assessment and taxation related housekeeping and minor legislative issues that have not been addressed in Bill 21. Addressing these issues would improve administrative efficiency, while not being contentious. These issues include but are not limited to the following:

- Enhance Administrative efficiencies through new measures such as: digital mailing, continuous bylaws, delegation of tax cancellation authority, collection of BRZ/BIA budget through property tax mechanism, and the renewal of exemptions without annual forms.
- Clearly separate the provincial assessment functions of administration from the policy setting mandate of the elected officials. This would be consistent with the principles of administrative consistency, efficiency and stability while also augmenting the province's ability to clarify administrative issues for municipalities and other stakeholders.
- A mandatory annual review of assessment legislation to address misinterpretations of original intent. This is important to clarify legislative intent when questions arise and technology changes.

A detailed list of all housekeeping and minor legislative issues will be provided Administration to Administration through a separate submission as was the previous process. These were previously provided to the province in June 2014, at the same time as the City's Council Approved MGA Submission.

3.0 PLANNING AND DEVELOPMENT

Within the context of planning and development, the MGA, as currently drafted, raises a number of questions. Who should pay for what? What is the right balance to strike between the private sector and public taxpayers as communities grow? Are there unrealized opportunities for development to pay for itself? How might municipalities best provide for a full range of community amenities and natural areas through the development process (and what additional tools might a municipality need to do so)? Do we have the levers and flexibility we need to be competitive locally and globally and to achieve effective and lasting regional collaboration? And, how do we support access to safe, adequate and affordable housing?

The MGA, and our broader legislative framework, should enable urban centres such as Edmonton to reduce their reliance on property taxes through the development process; make the most effective and strategic use of the opportunities they currently have; and enable Councils with the flexibility to ensure they have the tools needed to support healthy, complete and competitive communities over the long term.

3.1 Conservation Reserve⁵

As a general comment, the City of Edmonton has serious concerns with the provisions related to Conservation Reserves (CR) included in Bill 21. The sections allow municipalities to identify conservation lands in statutory plans and require them to be provided at the time of subdivision. But the landowner is compensated (it appears) at full market value and realizes an additional benefit in that the conservation reserve is excluded when calculating municipal reserve. After dedication, the municipality has title to the land but (unlike municipal reserve (MR) designation which can be removed following a public hearing) the CR designation cannot be removed, ensuring that the municipality can never change its use, or dispose of the land. Consider, for example, a municipality that had acquired a large forested area as CR and the forest was wiped out by fire. Though the municipality paid full market price for the land, the municipality could never sell it or convert it to another use. Under the current legislation Alberta municipalities can already expropriate lands or negotiate for their purchase and if they do, the acquisition is not burdened with a permanent restriction on use and disposition of the land. That being the case it is difficult to foresee why a municipality would avail itself of this tool.

Finally, the City is concerned about a situation in which the lands are designated in a plan but the owner does not wish to provide these lands as CR, sell them or have them expropriated, the owners have a strong incentive to alter the land to remove its value as conservation before it can be protected by the City. Some of these alterations do not require development approvals. The MGA should create a legal duty to preserve such lands in a natural state between plan designation and subdivision.

⁵ This was identified as a specific priority area by City Council and more information can be found in the attachment: Conservation Reserve.

Recommendation:

Include a provision that lands identified as Conservation Reserve in a Statutory Plan be kept in a natural state prior to being provided to the City. In conjunction with that protection, substantial enforcement powers should be provided. Compensation for the taking would still happen at subdivision but the manner of calculating compensation should be clearly outlined.

Amend Bill 21 so that lands identified as Conservation Reserve are included in the base lands for the purposes of calculating MR.

Include a provision for removing the CR designation or converting it to another use (as we can do for MR).

3.2 Environmental Reserve**Recommendation:**

Clarify the definition of Environmental Reserve (ER).

- At a minimum, the MGA needs to clarify the definition of the type of land that may be taken as ER so that it includes lands below the top of bank of a river valley.

3.3 Inclusionary Zoning**Recommendation:**

Provide municipalities with the authority and the tools to support the achievement of complete communities through the provision of affordable housing as an integral requirement of land use, subdivisions and development approval process; and the ability to mitigate the loss of existing affordable housing stock as a result of redevelopment and condominium conversion of rental units.

3.4 Mandatory Publication of Non-Statutory Plans**Recommendation:**

Add a definition for non-statutory plans that would list the types of plans that must be published. Otherwise, this could be construed to include policy guidelines, making the requirement difficult to comply with quickly, due to the volume of guidelines currently in place.

3.5 Off-site Levies**Recommendation:**

- Add another item, such as “or other purposes as defined in the municipality’s municipal development plan”.
- Remove the requirement that the Municipal Government Board hear appeals of conditions relating to some infrastructure. Such appeals should still be heard by the SDAB.

3.6 Municipal Reserve

Recommendation:

- On the overall subject of the calculation of Municipal Reserve, the City's position is that the municipality should incur no net loss when it elects to take cash in lieu of reserve.
- Edmonton would prefer that municipalities receive the flexibility to determine the appropriate uses for reserve land within their jurisdiction, which could be accomplished by requiring each municipality to define, by bylaw, what those purposes are.
- The MGA therefore also needs to grant all municipalities with the authority to define what the features of a “complete community” are within their municipality. This could be defined through the approval of the Municipal Development Plan and provide the flexibility to establish more tailored parameters reflecting the needs of different communities within municipal boundaries. The infrastructure components considered in Edmonton to be included in a complete community are such things as parks, recreation centres, community centres, libraries, fire halls and police stations.
- In addition, the MGA needs to allow reserves to be taken or deferred at the outset of development. The recommended outcome is two-fold. First, the MGA should allow Environmental Reserve to be explicitly deferred in a similar fashion to MR. Second, the MGA could be amended to remove the restriction that the deferral of MR must be to the remaining parcel or to “other land of the same person”.

3.7 Contaminated Sites – Tax Toolkit

Recommendation:

While this is partially addressed through the brownfield tax exemption or tax deferral incentive amendments included in Bill 21, the City again requests additional tax policy tools to address contaminated property be provided to force contaminated property owners to remediate their land (not reward them).

3.8 Protection of Mature Trees

Recommendation:

Add a subsection to s. 8 of the Municipal Government Act stating that municipalities have the power to pass bylaws for the protection of trees on private property.

- Municipalities could then craft bylaws in consultation with stakeholder groups that would identify the kind of trees that would need to be protected (e.g. only those of a certain size), the process for getting approval to cut them and the rules for granting or refusing such an application.