

WHAT WE HEARD

Municipal Government Act (MGA) Review

Summary of Province-Wide Feedback
on the *Modernized Municipal
Government Act*

October 2016



For Further Information

Please visit the *MGA* Review website: mgareview.alberta.ca



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Opening Message from Minister Danielle Larivee

I would like to thank everyone who provided feedback this summer on the proposed amendments in Bill 21, the *Modernized Municipal Government Act*.

It was a pleasure to visit communities across our incredible province, and meet so many people who are passionate about local government in Alberta. I am honored to have had the opportunity to listen to your feedback, answer your questions, and most of all hear your ideas about how to strengthen our system of municipal government. I know that all of my staff who attended the 21 tour sessions share my appreciation for all of your input, and for the opportunity to meet so many Albertans in their home regions. You provided a valuable perspective on the proposed changes and will help us improve the draft legislation before moving forward with debate in the Legislative Assembly.

I am pleased to provide you with a summary of the feedback we received through the tour on the *Modernized Municipal Government Act* (Bill 21). I am confident that you will see your input reflected in this document.

On behalf of my government colleagues as well as the staff of Municipal Affairs, thank you again for sharing your time and ideas so that we can ensure Alberta's municipalities have the tools and resources they need to build strong, dynamic communities and a more resilient, and diversified economy for you and your families.



Minister Larivee speaks at the Calgary *MMGA* consultation session on June, 8th 2016.



Executive Summary

The *Municipal Government Act* (MGA) sets a foundation for how municipalities operate, and is one of the most significant and far-reaching statutes in Alberta. The MGA affects every Albertan, the private sector, and every ministry in the provincial government in one form or another.

In June and July 2016, Municipal Affairs engaged with Albertans to hear their thoughts on proposed changes to the MGA. Feedback was received through public sessions, responses to an online questionnaire, and written submissions to the Ministry and Minister of Municipal Affairs. In total, 2402 people attended the 21 public sessions held across Alberta; 2376 questionnaires were submitted to the ministry and 122 letters commenting on the draft legislation were sent to Municipal Affairs.

Changes to the MGA fall into the following three broad categories:

- How municipalities are empowered to govern;
- How municipalities work together and plan for growth; and
- How municipalities are funded.

A range of feedback was received regarding each of these broad categories. Below is a summary of the major themes that emerged within each of the categories. Further detail on the feedback in each theme is provided in the pages that follow.

How Municipalities are Empowered to Govern

Feedback received in this category showed broad support for changes that enhance municipal accountability and transparency.

While comments were largely supportive of the general direction of proposed changes, there were a number of areas where respondents felt the changes should go further to ensure those governing Alberta's municipalities have the knowledge and skills needed to ensure a high standard of governance, accountability, public engagement and transparency across the Province. Some of these suggestions include:

- Making the offering of and attendance at councillor training mandatory;
- Increasing the impartiality of local appeal boards by fully prohibiting councillors from participating as members;
- Increasing the accessibility of petitioning processes by lowering thresholds, allowing businesses to sign petitions, and adding stricter requirements for how Council responds to petitions.

How Municipalities Work Together and Plan for Growth

Feedback in this category showed general support for changes that improve intermunicipal collaboration and complete communities. Several proposed changes surfaced a clear difference in opinion amongst stakeholder groups. There were also some comments that timelines for implementing planning related changes were considered ambitious and could be a challenge for some municipalities to meet.



In general, municipalities and the public were supportive of proposals to enable inclusionary housing and expand the scope of offsite levies (e.g. fire halls, libraries, recreation centres) to help service new development. A number of municipalities encouraged the province to further expand the scope of offsite levies and address regional servicing issues.

Business and industry stakeholders suggested offsite levy and inclusionary housing changes may be difficult to manage and could increase the costs of providing new housing.

How Municipalities are Funded

Feedback in this category surfaced the most difference of opinion between stakeholders. While there was general support among respondents for changes that improved Alberta's economic competitiveness, other key issues such as centralizing industrial assessments, linking non-residential and residential tax rates, splitting the non-industrial tax rate into subclasses, and the assessment of farmland elicited a wide variety of response.

Municipalities were either non-supportive of centralization or would like to see a greater municipal role in the process, while industry stakeholders were supportive of a centralized approach because it will lead to greater consistency across the province.

On the subject of linking tax rates, some municipalities felt the proposal was reasonable and acceptable while other municipalities suggested it reduces municipal control over the local property tax base. Business/private sector stakeholders generally supported the concept of linking, but suggested the proposed 5:1 non-residential to residential property tax ratio is too high and the proposed grandfathering provisions for municipalities currently exceeding the proposed ratio need to more aggressively require municipalities to come into compliance with the ratios. Public responses to linking tax rates revealed a perception that the oil and gas sector is being unfairly taxed in the current economy, but also revealed a concern that some of the proposed policy changes could result in an increase in other municipal taxes.

Municipalities were supportive of splitting tax rates within the non-residential property class, suggesting that this would lead to a more balanced distribution of the municipal property tax burden. Business and industry stakeholders expressed concern that splitting of the non-residential property tax class could create inequity within the non-residential property class.

With respect to farms, many municipal responses suggested intensive agricultural operations were not taxed in a way that adequately reflects the nature of their operations, and that these operations should not be included in the proposed farm building exemptions. The public also held differing opinions on proposals related to how farms are taxed, with approximately half of the public responders indicating support for the assessment exemption proposed for urban farm buildings and the other half asserting farmers have too many tax incentives.

General Feedback

In addition to the feedback on the three broad categories, Albertans were also invited to provide general thoughts on the *Modernized Municipal Government Act*. A number of questions and suggestions were raised with respect to new processes and how changes would be implemented across the three broad categories. The majority of this feedback relates to various regulations under the *MGA*. Opportunities to review the draft



regulations will be available in the coming months through the MGA Review website (<http://mgareview.alberta.ca/>).

There were also a number of comments received regarding Bill 20, which was unanimously passed in the legislature in the Spring of 2015. These comments focused on

- Electronic notifications and how to ensure that the public continues to receive appropriate information from their municipal government; and
- Councillor Code of Conduct and how to ensure it is enforced.



Introduction

The *Municipal Government Act (MGA)* is a guide to how municipalities operate, and is one of the most significant and far-reaching statutes in Alberta. It creates the municipal framework for local governance and administration, property assessment and taxation, and land use planning and development. The *MGA* affects every Albertan, the private sector, and every ministry in the government in one form or another.

This document provides a high-level summary of the input heard from participants throughout June and July 2016 in response to proposed changes in Bill 21, the *Modernized Municipal Government Act*. Comments were received during the public sessions, responses collected through an online questionnaire, and through written submissions to the Minister of Municipal Affairs. This feedback will help inform the Government of Alberta's consideration of what, if any amendments to the *Modernized Municipal Government Act* are required prior to its introduction for debate in the fall of 2016.

All legislative changes associated with the *MGA* Review, including regulatory changes supporting the new policies, will come into force prior to municipal general elections in late 2017. Opportunities to review the draft regulations will be available in the coming months through the *MGA* Review website (<http://mgareview.alberta.ca/>).

Where Did We Go?

Municipal Affairs held public engagement sessions in the following municipalities in June and July of 2016:

- Two Hills
- Lac La Biche
- Athabasca
- Rocky Mountain House
- Chestermere
- Calgary
- Cochrane
- Canmore
- Edmonton (2 sessions)
- Hardisty
- Hanna
- Red Deer
- High Prairie
- Peace River
- Grande Prairie
- Hinton
- Whitecourt
- Brooks
- Medicine Hat
- Lethbridge

How We Collected Feedback

On May 31, 2016, Bill 21 – *Modernized Municipal Government Act* was introduced in Alberta's Legislative Assembly. The proposed changes in the Bill were developed through extensive public consultation and collaborative work with key municipal partners and business/industry stakeholders.

Following the bill's introduction, Municipal Affairs travelled to 20 locations across Alberta during the months of June and July to hear from Albertans on the proposed amendments, and to clarify the Bill's contents and intent. Each session included a presentation on the *MGA* Review, a question and answer period, and an open house to discuss the changes in more detail with senior department officials and subject matter experts. At sessions



where the Minister was able to attend, elected officials were given the opportunity to discuss the amendments with her directly.

To enable individual feedback, participants were encouraged to ask questions of clarity during the question and answer period, and to provide their feedback on notes and post them on flipcharts during the open house portion of the session.

Other avenues were also available to provide input to the review, including an online questionnaire.

This document captures the key issues identified by participants in the sessions. Wherever this document references “written feedback,” this includes comments recorded on flipcharts, submitted through the online questionnaire, and received via letters to Municipal Affairs.

The number of respondents on the online questionnaire to any given issue varies. This is because respondents were provided with the option of only responding to those issues of greatest importance to them.



How Municipalities Are Empowered to Govern

Elected Official Training

Should the *Municipal Government Act (MGA)* establish minimum standards for council orientation and training of municipal elected officials?

CURRENT




The *MGA* does not require council or administration orientation and training.

PROPOSED

Require all municipalities to offer elected officials orientation training following each municipal election, including by-elections.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|--|-------|-----|
| Agree |  | 80.0% | 633 |
| Neutral |  | 12.5% | 99 |
| Disagree |  | 7.5% | 59 |

Total online responses: **791**

FEEDBACK HIGHLIGHTS

Written feedback showed that stakeholders consistently agreed that:

- 1) Councillor training should be offered; and
- 2) for councillor training to be effective, attendance should be mandatory.

Stakeholder comments that were connected with a 'disagree' response through the online questionnaire revealed that disagreement was generally with the decision to make attendance at the training optional rather than disagreeing with the concept of training municipal elected officials.

There were also a number of comments suggesting other roles within a municipality, such as the Chief Administrative Officer or Assessment Review Boards, should be offered training.



Preamble

Should the province legislate municipal and provincial roles and responsibilities?

CURRENT

The partnership between the Province and municipalities is implied but not explicitly mentioned in the *MGA* or other legislation. Roles and responsibilities are not legislated.

PROPOSED

A preamble will be incorporated into the *MGA* to describe the partnership relationship between the province and municipalities.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **803**

FEEDBACK HIGHLIGHTS

Written feedback showed that stakeholders are generally supportive of including a preamble in the *MGA*. Comments can be grouped as follows:

- 1) Municipal feedback suggested the preamble could further clarify the provincial-municipal relationship and when the province should engage with municipalities.
- 2) Business/Private Sector feedback suggested the preamble should have a stronger focus on economic competitiveness and prosperity.
- 3) Public feedback suggested a preamble will help set the tone and give the legislation more clarity.

Stakeholder comments that were connected with a 'neutral' or 'disagree' response through the online questionnaire tended to suggest a preamble could lead to more municipal bureaucracy, less provincial oversight, increased property taxes and municipal fees, and less municipal accountability.



Municipal Ombudsman

Should the existing mechanisms for oversight of municipalities be maintained, or should some other legislated mechanism be introduced?

CURRENT

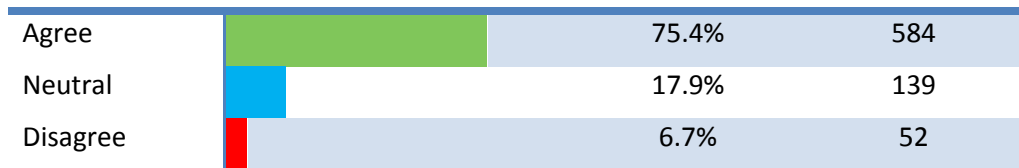
Enforcement is at the local level, through the courts, or in certain circumstances, by the Minister.

PROPOSED

Expand the mandate of the Alberta Ombudsman to include oversight of municipalities and to respond to complaints about municipalities.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **775**

FEEDBACK HIGHLIGHTS

Written feedback showed a majority of respondents were supportive of using the Ombudsman as a vehicle for additional oversight in municipalities.

Feedback from municipal stakeholders indicated their support is dependent on

- 1) the Ombudsman's process and powers; and
- 2) ensuring the Ombudsman does not overrule local democratic processes.

Stakeholder comments that were connected with a 'neutral' or 'disagree' response through the online questionnaire indicated skepticism on the effectiveness of the Ombudsman, and suggested it would lead to increased provincial operating costs.



Petitions to the Minister

Should the existing mechanisms for oversight of municipalities be maintained, or should some other legislated mechanism be introduced?

CURRENT

Citizens can petition the Minister for an audit or an inquiry, but not for an inspection.

PROPOSED

Citizens can petition the Minister for an audit or inspection on matters of municipal affairs, including the conduct of councillors, employees, agents and contractors of the municipality.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total Online Responses: **766**

FEEDBACK HIGHLIGHTS

Written feedback showed respondents across the different stakeholder groupings were supportive of petitioning changes with the following themes emerging:

- 1) Business/Private Sector feedback supported the change and asked for petitioning provisions to consider a process that included non-residential property owners.
- 2) Public feedback supported the change and included requests to lower the petitioning thresholds and implement stricter response requirements for how petitions are acted upon.

Stakeholder comments that were connected with a 'neutral' or 'disagree' response through the online questionnaire focused largely on petition thresholds and how petitions are acted upon.



Municipally Controlled Corporations

What role, if any, should Municipal Affairs have in the establishment and operation of municipally controlled corporations?

CURRENT

Municipalities require the approval of the Minister of Municipal Affairs to establish a municipally controlled for-profit corporation.

PROPOSED

Allow municipalities to establish municipally controlled for-profit corporations without permission, but legislate requirements regarding the allowable scope of those corporations and the transparency of their formation and operation.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|--|-------|-----|
| Agree |  | 32.9% | 249 |
| Neutral |  | 34.4% | 260 |
| Disagree |  | 32.7% | 247 |

Total online responses: **756**

FEEDBACK HIGHLIGHTS

Written feedback revealed a diversity of opinion among stakeholders on this issue. Comments can be grouped as follows:

- 1) Municipalities suggested the change will improve transparency and accountability of municipally controlled corporations.
- 2) Business/Private Sector feedback was mixed with:
 - a. Suggestions that this change would result in a lack of oversight and transparency, leading to misuse of municipally controlled corporations and;
 - b. support expressed for how this change can help stimulate economic growth in areas where the private sector is reluctant to invest.
- 3) Public feedback showed support for reducing 'red tape' and requests to have these changes accompanied by greater public oversight, accountability and transparency.

Both the public and business/private sector comments also revealed an opinion that Municipally Controlled Corporations are a departure from the traditional municipal role of governance and may create a conflict of interest in how a municipality makes operating and budgeting decisions.



Strengthening Impartiality of Appeal Boards

What requirements, if any, should the province place on municipal appeal board members through legislation to reduce bias or perception of bias?

CURRENT

Municipal councillors and public members sit on municipal appeal boards. Councillors may not form the majority of a Subdivision and Development Appeal Board. The Chair of the Municipal Government Board (MGB) is the Deputy Minister or a designate.

PROPOSED

Prohibit municipal councillors from forming the majority of any municipal appeal board or individual hearing panel. Specify that the Chair of the MGB will be appointed by Cabinet and report to the Minister of Municipal Affairs.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|--|-------|-----|
| Agree |  | 71.0% | 550 |
| Neutral |  | 18.5% | 143 |
| Disagree |  | 10.6% | 82 |

Total online responses: **775**

FEEDBACK HIGHLIGHTS

Written feedback showed support for limiting council's influence over appeal boards. Comments can be grouped as follows:

- 1) Municipal feedback showed support for this change, but suggested it may become challenging for some municipalities to recruit appeal board members.
- 2) Public and Business/Private Sector feedback suggested this change is a positive change and a number of respondents asked that changes go further by eliminating councillor participation completely.



Other Governance Feedback

A range of feedback was received that is relevant to the MGA, but does not relate directly to the changes proposed in Bill 21. A majority of this feedback was collected when stakeholders were asked to provide a key message to the Minister or through official submissions.

Most of this written feedback relates to the implementation of the proposed legislative changes and specific regulations that fall under the *MGA*. Regulation related feedback is being used to inform the preparation of draft regulations. Opportunities to review the draft regulations will be available in the coming months through the MGA Review website (<http://mgareview.alberta.ca/>).

Bill 20 changes requiring councillor code of conduct and changes to enable electronic notifications also received a large amount of feedback.

With respect to electronic notifications, there were a number of questions on how the Province will ensure the public continues to receive appropriate information from their municipal government.

Feedback on the Bill 20 change to require a Councillor Code of Conduct in each municipality can be grouped as follows:

- 1) enforcement of the code of conduct not be done by the local municipality; and
- 2) consistent code of conduct criteria should be applied across the province.



How Municipalities Work Together and Plan for Growth

Growth Management Boards

To what degree should the Province determine how municipalities collaborate with one another?

CURRENT

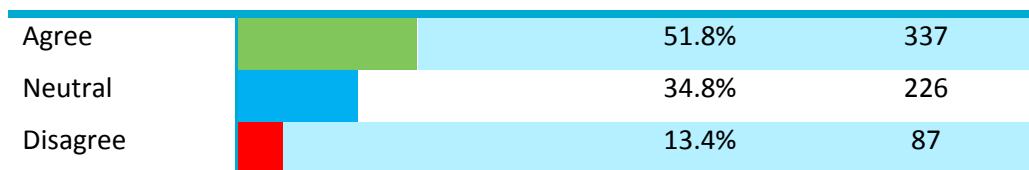
The Capital Region Board is the only mandatory growth management board under the *MGA*. The Calgary Regional Partnership is a voluntary organization that has prepared and adopted the Calgary Metropolitan Plan on a voluntary basis, but the plan only applies to participating municipalities.

PROPOSED

Require Growth Management Boards for Edmonton and Calgary regions, with an expanded mandate to address land use planning, and the planning, delivery and funding of regional services.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **650**

FEEDBACK HIGHLIGHTS

Written feedback showed that stakeholders were largely supportive of the concept and would like more information on the structure and purpose. Comments can be grouped as follows:

- 1) Municipal responses were mixed including suggestions that participation be voluntary, and ensuring no one municipality has a veto in the voting structure.
- 2) Business/private sector responses were supportive of the concept, but cautioned against the growth management board becoming another level of development approvals.
- 3) Public responses focused on creating a structure that is better suited to manage urban growth within a populous region.



Intermunicipal Collaboration

To what degree should the Province determine how municipalities collaborate with one another?

CURRENT

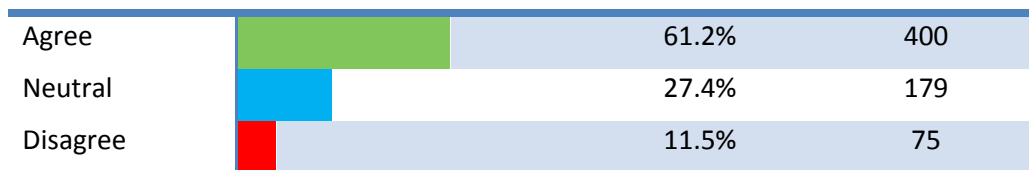
Cooperation between neighbouring municipalities is voluntary, with substantial variation across the province.

PROPOSED

Implement mandatory intermunicipal mechanisms for land use planning, and for the planning, delivery and funding of regional services.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **654**

FEEDBACK HIGHLIGHTS

There was general support for intermunicipal collaboration including suggestions that implementation timelines be increased. Comments can be grouped as follows:

- 1) Smaller municipalities suggested they may have inadequate resources to develop an intermunicipal collaboration framework in the timeframe specified.
- 2) Municipal responses showed an interest in how intermunicipal collaboration frameworks would affect existing intermunicipal agreements.
- 3) Business/Private Sector responses generally supported the change and suggested intermunicipal agreements should ensure municipalities consider the interests of all property owners and focus on cost-effective service delivery.
- 4) Public responses were supportive of encouraging municipalities to collaborate and suggested there needs to be a balance between regional and local needs.



Affordable Housing (Inclusionary Housing)

How can Municipal Affairs support improvement in the affordable housing supply in Alberta?

CURRENT

The legislation is silent on affordable housing initiatives and provides municipalities with limited powers to require affordable housing.

PROPOSED

Enable inclusionary housing as an optional matter within municipal land use bylaws.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **670**

FEEDBACK HIGHLIGHTS

Written feedback showed that stakeholders are generally supportive or neutral regarding inclusionary housing. Comments can be grouped as follows:

- 1) Municipal responses suggested inclusionary housing will be most effective in larger and mid-size urban municipalities. In addition, municipalities suggested inclusionary housing related costs should not rest with the municipality.
- 2) Public responses generally supported the idea of inclusionary housing.
- 3) The development industry suggested inclusionary housing could increase costs for developers and home buyers.
- 4) Public responses generally supported Inclusionary Housing as a way of addressing housing issues. Some 'disagree' responses suggested that affordable housing discussions be focused on the rental market, not ownership, and that affordable housing could impact residential property values.



Offsite Levies – Funding New Developments

What municipal purposes and infrastructure should offsite levies be collected and used for? How should offsite levies be calculated?

CURRENT

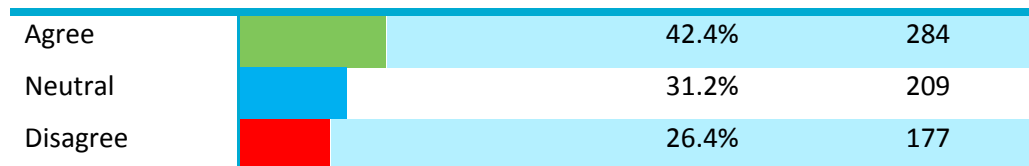
Offsite levies can be used for sanitary sewer, storm sewer, roads, and water infrastructure in new developments.

PROPOSED

Expand the scope of off-site levies to include land and buildings for community recreation facilities, fire halls, police station, and libraries where at least 30 per cent of the benefit of the facility accrues to the new development. Where this threshold is met, developers would contribute according to the proportional benefit.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **670**

FEEDBACK HIGHLIGHTS

Feedback showed municipal and public support for this change while business/private sector responses were split relatively equally between ‘agree’, ‘neutral’, and ‘disagree’. Comments can be grouped as follows:

- 1) Municipal responses supported the concept but, expressed a belief this will be most effective in large urban centres. Some expressed a preference that the types of services subject to the levy be broadened. There was also some interest in the development of regional offsite levies.
- 2) Business/Private Sector comments that were connected with an ‘agree’ response through the online questionnaire suggested that the change supports better community development. Stakeholder comments that were connected with a ‘neutral’ or ‘disagree’ response through the online questionnaire suggest unreasonable development costs could be an outcome and assert the expanded scope is inappropriate.
- 3) Public responses indicated support for expanding the scope of offsite levies and the concept of growth paying for growth. A number of public responses that ‘disagree’ suggested costs levied to developers will be passed onto the consumer.
- 4) Some comments suggested that school sites should be exempt from paying offsite levies and that offsite levies could be used to fund new school development.
- 5) Many respondents suggested the 30% threshold needs detailed attention at the regulation stage to ensure it is implemented effectively.



Municipal Development Plans – Strategic Planning for All Municipalities

Should all municipalities be required to adopt an MDP as a statutory plan?

CURRENT

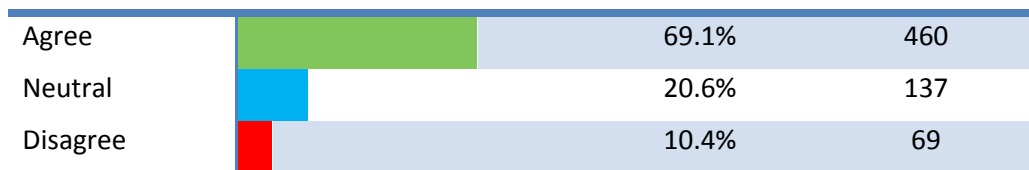
Municipal Development Plans (MDPs) are mandatory for municipalities with a population threshold of 3,500 or greater.

PROPOSED

Require all municipalities, regardless of population size, to create an MDP.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **666**

FEEDBACK HIGHLIGHTS

Written feedback showed general support for all municipalities developing plans to manage growth and development in their communities. Comments can be grouped as follows:

- 1) Responses from all stakeholder groups suggested that municipalities less than 3500 may require assistance implementing this change.
- 2) Stakeholder comments that were connected with a 'disagree' response through the online questionnaire tended to suggest municipalities with small populations or limited growth should be exempt from having an MDP.



Incenting Brownfield Development

Should the MGA allow municipalities to grant special tax considerations to brownfield properties for multiple years to encourage their redevelopment?

CURRENT

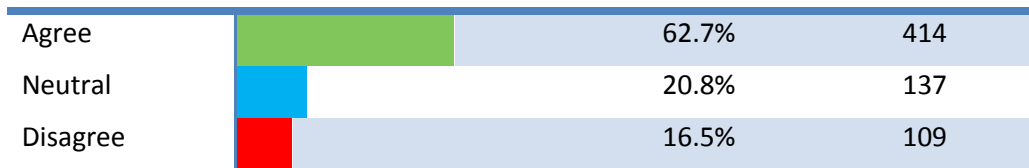
Municipalities confirm annually any cancellation, deferral or reduction to the municipal taxes of a property through the annual passing of their property tax bylaw.

PROPOSED

Allow a municipal council to provide conditional property tax cancellations, deferrals, or reductions for multiple years to identify and promote redevelopment of brownfield properties.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **660**

FEEDBACK HIGHLIGHTS

Written feedback showed that stakeholders are generally supportive of this change. Comments can be grouped as follows:

- 1) It was suggested that tax incentives are one of several tools that could be explored to encourage redevelopment of contaminated sites.
- 2) A number of responses felt the cost to remove all of the polluted material is high enough that the tax exemptions are a relatively minor incentive.



Environmental Reserve

How should Environmental reserve be defined? When should Environmental Reserve land be determined?
Should the purpose of Environmental Reserve be expanded?

CURRENT

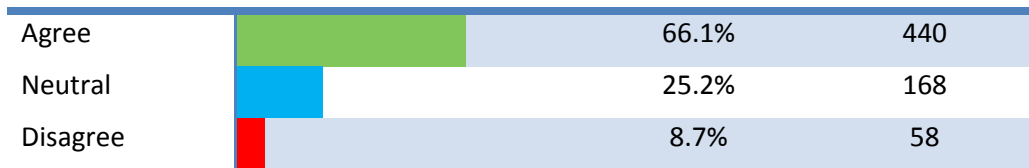
The *MGA* identifies lands to consider for Environmental Reserve to prevent pollution and/or provide public access to water. In practice, Environmental Reserve is typically used for land that is not suitable for development.

PROPOSED

Provide clarity in the definitions, and purposes of Environmental Reserve land, and enable flexibility to determine Environmental Reserve earlier in the planning process.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **666**

FEEDBACK HIGHLIGHTS

Written feedback showed support for providing clarity in the definitions and purposes of Environmental Reserve (ER) Land, and enabling flexibility to determine ER earlier in the planning process. Comments can be grouped as follows:

- 1) Many respondents suggested environmental protection and management should be included in the legislation;
- 2) Business/Private Sector responses suggested it is beneficial to identify ER earlier in the process for development purposes as this could save time and reduce costs for both developers and the municipality.



Conservation Reserve

How should Environmental reserve be defined? When should Environmental Reserve land be determined?
Should the purpose of Environmental Reserve be expanded?

CURRENT

The *MGA* identifies lands to consider for Environmental Reserve to prevent pollution and/or provide public access to water. In practice, Environmental Reserve is typically used for land that is not suitable for development.

PROPOSED

Create a new type of reserve, Conservation Reserve, to protect environmentally significant lands, subject to compensation for the landowner.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **658**

FEEDBACK HIGHLIGHTS

Written feedback showed general support for this change provided a specific request or condition was met. Comments can be grouped as follows:

- 1) Municipal responses were supportive of the change with suggestions that compensation be provided at predevelopment rates.
- 2) Business/Private Sector responses were largely supportive of the change and suggested compensation be provided at market value and appropriate oversight be applied to ensure the reserve land meets its conservation intent over time.
- 3) Public responses were supportive as a means of furthering environmental conservation. Some respondents suggested compensation is inappropriate while other respondents wanted more details on the compensation framework.
- 4) All stakeholder responses suggested that more detail on or clarity regarding definitions related to Environmental and Conservation Reserve could influence their opinion.



Non-Statutory Planning Documents

Should the relationship of non-statutory land use plans be open and transparent to the public?

CURRENT

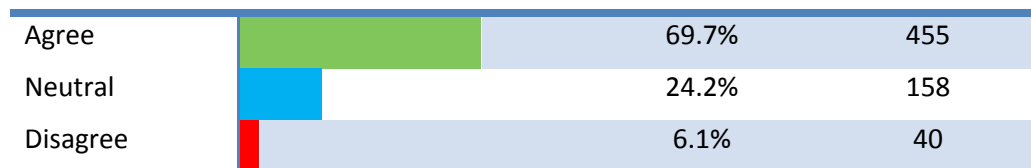
The *MGA* has no requirement that municipalities publish or identify how their non-statutory plans relate to one another.

PROPOSED

Increase transparency around planning documents by requiring municipalities which adopt or utilize any non-statutory planning documents to list and publish all non-statutory planning documents, and describe how those documents relate to each other and other statutory plans.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **653**

FEEDBACK HIGHLIGHTS

Written feedback showed that most respondents were supportive of this change and felt it would lead to greater certainty, transparency and understanding regarding the application of non-statutory local planning documents.

There were a number of 'neutral' and 'disagree' comments that suggested:

- 1) the changes should give legislative force to local non-statutory plans as well as give guidance on their contents;
- 2) some municipalities may lack capacity to implement this change; and
- 3) this change could lead to a more complex local planning framework.



Decision Making Timelines for Development Permits

What should be the timelines for the review, decision, and approval of subdivision and development permit applications in the *MGA*?

CURRENT

The *MGA* specifies the timelines for issuing decisions and lodging appeals for subdivision and development applications.

PROPOSED

Maintain existing decision timelines for most municipalities but allow municipalities additional time to determine whether an application is complete. Allow cities and larger specialized municipalities to set their own timelines by bylaw.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **634**

FEEDBACK HIGHLIGHTS

Written feedback showed similar comments within each stakeholder group regardless of the respondent's agreement with the shift. Comments can be grouped as follows:

- 1) Municipal and Public responses were generally supportive of the approach suggesting it will ensure development applications are complete before a decision is made. Some respondents also suggested the 20-day timeline should be extended.
- 2) Business/Private Sector responses were split with some suggesting this would lead to a better development approval process and others suggesting this could unnecessarily extend approval timelines.



Decision Making Timelines for Development Permits for Cities and Specialized Municipalities

What should be the timelines for the review, decision, and approval of subdivision and development permit applications in the *MGA*?

CURRENT



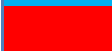
The *MGA* specifies the timelines for issuing decisions and lodging appeals for subdivision and development applications.

PROPOSED

Allow cities and larger specialized municipalities to set their own timelines bylaw.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 30.5% | 192 |
| Neutral |  | 38.0% | 239 |
| Disagree |  | 31.5% | 198 |

Total online responses: **629**

FEEDBACK HIGHLIGHTS

Written feedback showed several consistent themes among stakeholder groups regardless of their agreement or disagreement with the proposed shift. Comments can be grouped as follows:

- 1) Municipal responses focused on a perception of special treatment for large urban centres and requests to expand the flexibility offered to other municipal structure types such as towns and villages.
- 2) Business/Private Sector and Public comments focused on the need for oversight to ensure the timeline set is reasonable. It was suggested this change could lead to less consistency across the province with respect to local development processes.



Land Use Policies

Should the Province continue to have land use policies that apply province-wide?

CURRENT

Any *MGA* land use policies currently in effect will cease to apply, and any land use policies created in the future under the *MGA* will not apply, in any region that adopts an *Alberta Land Stewardship Act* (ALSA) regional plan.

PROPOSED

Continue to phase out current *MGA* land-use policies as new ALSA regional plans come into force. Authorize the Minister to establish new land use policies for municipal planning matters that are not including in an ALSA regional plan.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 42.8% | 279 |
| Neutral |  | 35.9% | 234 |
| Disagree |  | 21.3% | 139 |

Total online responses: **652**

FEEDBACK HIGHLIGHTS

Written feedback showed a majority of stakeholders agreed with or felt neutral towards this change. Comments can be grouped as follows:

- 1) There was support across all respondent groups for having provincial plans, such as the Alberta Land Stewardship Act's land use plans, as a guiding plan for municipalities to align with.
- 2) There was support across all respondent groups for enabling flexibility within the provincial planning framework to create land use policies as appropriate to reflect the local context.
- 3) There were requests from respondents who identified as 'agree', 'neutral', and 'disagree' that any land use policy development include a public engagement component.
- 4) There were requests for the Minister to develop specific provincial land use policies in relation to specific municipal actions, such as urban growth and development, gravel extraction, and environmental preservation.



Other Planning and Development Feedback

A range of feedback was received that is relevant to the MGA, but does not relate directly to the changes proposed in Bill 21. A majority of this feedback was collected when stakeholders were asked to provide a key message to the Minister or through official submissions.

Much of this written feedback relates to the implementation of these changes and specific regulations that fall under the MGA. Regulation related feedback is being used to inform the preparation of draft regulations. Opportunities to review the draft regulations will be available in the coming months through the MGA Review website (<http://mgareview.alberta.ca/>).

There were also a number of requests for the province to:

- 1) Take action to address a particular planning decision in a specific municipality;
- 2) Change how the community aggregate levy functions with a goal of eliminating incentives for municipalities to pursue gravel extraction, address impacts on property values, improve residential neighbourhoods and promote environmental integrity;
- 3) Legislate more specific and stringent public engagement processes and considerations for planning matters;
- 4) Legislate growth management practices to reduce 'sprawl'.



How Municipalities are Funded

Linking Residential and Non-Residential Tax Rates

Should a maximum ratio between residential and non-residential property tax rates be legislated?

CURRENT

Municipalities are free to set non-residential and residential tax rates independent of one another.

PROPOSED

Establish a maximum ratio of 5:1 between non-residential and residential municipal property tax rates. Municipalities with ratios beyond 5:1 will be grandfathered, but will only be allowed to increase any non-residential tax rates if they increase their residential tax rates by the same percentage.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 46.2% | 347 |
| Neutral |  | 18.4% | 138 |
| Disagree |  | 35.4% | 266 |

Total online responses: **751**

FEEDBACK HIGHLIGHTS

Written feedback showed a range of opinions, and the comments can be grouped as follows:

- 1) Respondents consistently suggested that if a linked ratio is put in place, all municipalities should be required to bring their tax rates in line with the legislation.
- 2) Municipal responses were less supportive of a linked ratio as it could limit municipal autonomy and control over their tax base.
- 3) Business/private sector respondents were supportive of the concept of linking and many felt the proposed 5:1 linked ratio was too high. It was suggested that this change could legitimize a higher non-residential tax rate in municipalities that are currently under the proposed 5:1 linked ratio.
- 4) Public responses were varied on this issue with some supporting the approach, others feeling that all properties should be taxed equally, and a number of responses suggested a ratio could lead to higher residential property taxes.



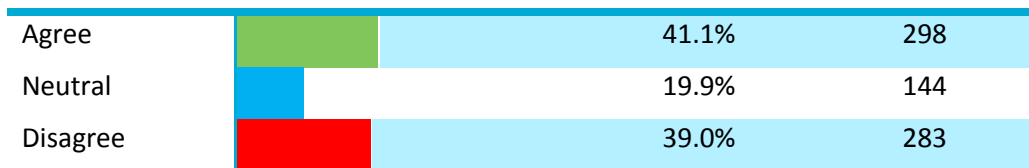
Splitting the Non-Residential Property Class

Should municipalities be permitted to establish and set different property tax rates for sub-classes of non-residential property?

| | |
|----------|--|
| CURRENT | Municipalities do not have the authority to split the improved non-residential property assessment class into sub-classes in order to levy different tax rates against different types of improved non-residential property. |
| PROPOSED | Allow the non-residential property class to be split into subclasses and taxed at different rates as defined in regulation. These tax rates will be subject to the maximum ratio limitations on all tax rates. |

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.



Total online responses: **725**

FEEDBACK HIGHLIGHTS

Written feedback showed a range of opinions, and the comments can be grouped as follows:

- 1) Municipal responses were generally supportive of this change and many suggested the ability to create subclasses for the non-residential property class be a local decision.
- 2) Business/Private Sector responses generally opposed the change and suggested
 - a. it could result in some businesses paying a disproportionate share of taxes;
 - b. it removes a level of municipal transparency and accountability; and
 - c. that subclasses should not be defined by local councils.
- 3) Public responses were mixed with some members supporting the change as they suggested it would result in a more equitable distribution of the municipal tax burden and others suggesting that it would introduce an element of unfairness to the property tax system.

There were also a number of comments on if and how the proposed linked property tax ratio of 5:1 should apply to all subclasses within the non-residential property class.



Centralized Industrial Assessment

Should all industrial property be centrally assessed?

CURRENT



The application of definitions and valuation methodologies are varied due to the complex nature of regulated industrial properties. Assessment of these properties is currently separated between municipalities and province.

PROPOSED

Centralize all industrial property assessment within Municipal Affairs. Recover costs associated with centralized assessment from industrial property owners. Assign jurisdiction for appeals related to industrial property to the MGB.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|--|-------|-----|
| Agree |  | 52.7% | 357 |
| Neutral |  | 26.8% | 182 |
| Disagree |  | 20.5% | 139 |

Total online responses: **678**

FEEDBACK HIGHLIGHTS

Written feedback showed two distinct perspectives:

- 1) Most municipalities do not support centralizing industrial assessments and feel it will result in a loss of local knowledge and could erode municipal autonomy over the local assessment.
- 2) Business/Private Sector and Public responses were generally supportive of centralization and suggested it will result in greater consistency of assessment practices across the Province.

A range of opinions were also expressed across stakeholder groups regarding whether industrial assessments should be centralized with the Province or with an arm's-length body. Generally, municipalities supported the arm's-length approach while other stakeholder groups were mixed in their opinion.



Assessment of Farm Buildings

How should farm buildings be assessed?

CURRENT




In rural municipalities, farm buildings are fully exempt from assessment, while in urban municipalities they are assessed at 50 per cent of their market value for agricultural use.

PROPOSED

Exempt all farm buildings in both rural and urban municipalities, from assessment.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 31.7% | 212 |
| Neutral |  | 31.4% | 210 |
| Disagree |  | 36.9% | 247 |

Total online responses: **669**

FEEDBACK HIGHLIGHTS

Written feedback showed a range of perspectives generally spread across all stakeholder groups. The comments can be grouped as follows:

- 1) Support for consistency in how urban and rural farms are assessed;
- 2) Support for exempting farm buildings from assessment. These respondents often stated this exemption promoted farming and offered a valuable incentive to the farming industry; and
- 3) a belief that farmers receive too many incentives and instead of exempting farm buildings from assessment, all farm buildings should be assessed at their full value.

A number of municipalities suggested intensive agricultural operations are not assessed and taxed appropriately and should not be included in the proposed farm building exemptions.



Assessment of Farmland Intended for Development

How should farm land intended for development be assessed and taxed?

CURRENT

Farmland is assessed and taxed at its agricultural use value until the year in which it is converted to a non-farm use.

PROPOSED

Farm land will be assessed at market value once the land is no longer used for farming operations. The definition of farming operations will be updated through regulation to include the triggers that indicate when land is no longer farmed.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 51.0% | 342 |
| Neutral |  | 33.9% | 227 |
| Disagree |  | 15.1% | 101 |

Total online responses: **670**

FEEDBACK HIGHLIGHTS

Written feedback showed a range of perspectives generally spread across all stakeholder groups. Respondents were generally supportive of the proposed policy, and often suggested that details in the Matters Related to Assessment and Taxation regulation could influence their perspective. Regardless of the respondents selecting 'agree', 'neutral' or 'disagree' the main perspectives expressed included:

- 1) the need for clear definitions to ensure farms are assessed appropriately;
- 2) that scraping alone is not a strong enough approach and that other mechanisms should be used to ensure farmland intended for development pays its appropriate share of taxes;
- 3) that using scraping as the test would result in a disincentive for landowners to prepare their land for development.



Access to Assessment Information for Assessors and Property Owners

What information sharing should be required of assessors and property owners, and how might shared information be used by the recipient?

CURRENT




The *MGA* outlines requirements for sharing of assessment information, but stakeholders have indicated that the *MGA* provisions are not sufficiently clear in some cases.

PROPOSED

Clarify the information requirements for both assessors and property owners without increasing scope, by enhancing regulation-making authority and providing detailed direction in a best practices guide.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 49.3% | 339 |
| Neutral |  | 19.2% | 132 |
| Disagree |  | 31.4% | 216 |

Total online responses: **687**

FEEDBACK HIGHLIGHTS

Written feedback showed a range of perspectives across the municipal and public responses and general disagreement from Business/private sector feedback.

Municipal and public responses focused on:

- 1) support for increasing transparency and clarity; and
- 2) a belief that, without proper oversight, in-camera provisions could be abused.

Business/private sector responses tended to suggest the changes would increase the scope of assessors' ability to request information and could limit assessed persons' ability to access information.



Assessment Complaints - Business Tax/Improvement Area Levy Complaints

How should awarding of costs be treated?

CURRENT

- Local Assessment Review Boards hear business tax and business improvement area levy complaints.

PROPOSED

- Composite Assessment Review Boards hear business tax and business improvement area levy complaints.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|--|-------|-----|
| Agree |  | 47.9% | 311 |
| Neutral |  | 38.7% | 251 |
| Disagree |  | 13.4% | 87 |

Total Online Responses: **649**

FEEDBACK HIGHLIGHTS

Written feedback showed general support for the change, and comments can be grouped as follows:

- 1) Municipal responses were generally supportive of the change and suggested that Composite Assessment Review Board's would see an increased workload which could delay their appeal processes.
- 2) Business/Private Sector responses were largely supportive of this change and suggested it will reduce pressures on local appeal boards and improve the appeal board structure for these types of complaints.
- 3) Public responses to this change were generally supportive or involved questions of clarity on the change and its impacts.



Assessment Complaints - Corrections

How should assessment complaint corrections be treated?

CURRENT




- The assessor may not make corrections to an assessment under complaint.

PROPOSED

- The assessor may make corrections to an assessment that is under complaint without assessment review board ratification or withdrawal of the complaint.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 52.8% | 358 |
| Neutral |  | 23.6% | 160 |
| Disagree |  | 23.6% | 160 |

Total online responses: **678**

FEEDBACK HIGHLIGHTS

Written feedback showed the public and municipalities were largely supportive of this change while business/private sector responses showed a clear divide with approximately equal parts 'agreeing' and 'disagreeing' with the change. Comments can be grouped as follows:

- 1) Municipal and public responses were supportive of the change and suggest it enables municipalities and complainants to work towards a resolution in advance of a hearing and ensures that boards are considering correct information.
- 2) Business/Private Sector responses suggested giving a municipality the ability to change the assessment prior to a hearing, without notifying the complainant, may reduce the complainant's ability to adequately prepare for an appeal.

There were a number of responses from all parties that identified a range of challenges related to the appeal process.



Assessment Complaints - Judicial Review

How should judicial review be treated?

CURRENT




- An assessed person must seek leave to appeal, and then an appeal must proceed before the case can be judicially reviewed.

PROPOSED

- Assessment Review Board decisions may be appealed at the Court of Queen’s Bench by judicial review only.

ONLINE QUESTIONNAIRE FEEDBACK

Below is a summary of how respondents felt when asked if they agreed, were neutral or disagreed with the proposed change.

| | | | |
|----------|---|-------|-----|
| Agree |  | 39.1% | 254 |
| Neutral |  | 34.8% | 226 |
| Disagree |  | 26.2% | 170 |

Total Online Responses: **650**

FEEDBACK HIGHLIGHTS

Written feedback showed that business/private sector and the public were largely supportive of the change while municipal responses indicated a level of uncertainty as to the change’s effectiveness. Comments can be grouped as follows:

- 1) Municipal responses indicated a desire to have a shorter judicial review period and suggested the proposed change could increase the number of court cases and lessen municipal capacity to address legal challenges. Municipalities also requested the addition of a privative clause that limits judicial reviews to questions of law.
- 2) Business/Private Sector and Public responses generally showed support for reducing the cost of appeals and redundancy within the court system.

There were also a number of responses that disagreed with the change based on the perception that it was removing one’s ability access the courts and to ask for a judicial review.



Other Assessment and Taxation Feedback

A range of feedback was received that is relevant to the MGA, but does not relate directly to the changes proposed in Bill 21. A majority of this feedback was collected when stakeholders were asked to provide a key message to the Minister or through official submissions.

Much of this written feedback relates to the implementation of these changes and specific regulations that fall under the *MGA*. Regulation related feedback is being used to inform the preparation of draft regulations. Opportunities to review the draft regulations will be available in the coming months through the MGA Review website (<http://mgareview.alberta.ca/>).

There were also requests for the province to make the following changes to the *MGA*:

- 1) **Linear Pooling:** There were requests to pool linear property tax dollars and share them regionally as well as requests to recognize the current linear tax system in legislation to ensure linear property tax dollars stay with the municipality that collects them.
- 2) **Tax Recovery:** There were requests to address the burden unpaid property taxes places on municipalities by changing the current property tax recovery process and deferring the payment of uncollected education property taxes.

