

Preliminary Charter Proposals (Yet to be Approved)

In the summer of 2016 the province released the preliminary City Charter discussion guide for Calgary and Edmonton. This was the first information on City Charters that had been made public and contains a number of policy proposals put forward by Calgary and Edmonton. It is important to note that the province is not bound to adopt these proposals. The second component to City Charters will be the fiscal framework which should contain the fiscal policies to accompany the various policy proposals in the preliminary discussion guide.

The greatest concern for industry is the potential unfettered ability for Calgary and Edmonton to modify their Charters in the future. Based on the current wording of the Municipal Government Act (MGA) the cities will be able to amend the Charters simply through holding a public hearing. Without any limitation or provincial oversight this would allow both cities to grant themselves powers well beyond what is permitted under the MGA. This could create a situation where the MGA more or less becomes irrelevant to those two cities. The following table provides a summary of the key policy items that could impact our industry. The majority of notes included come from CHBA – Alberta’s submission to the province.

Item	Proposed Policy	Notes / Impact on Industry
Building Code Energy Excellence	Ensure Cities have the flexibility to raise the bar on environmental sustainability and, in turn, contribute to the evolution of best practices that other municipalities could learn from and adopt. Cities would be limited to applying new requirements within municipal boundaries on a go forward basis.	This is potentially a huge concern as any changes to the building code result in direct increases to the cost of housing. Calgary, Edmonton and the province need to outline the specific changes that are being contemplated and allow for meaningful engagement with industry before we are able to identify the potential impacts of this item.
Safety Codes Council Membership	Allow Calgary and Edmonton to become members of the SCC, supporting the governance and administration of the safety codes system. The province will work with the SCC to secure Calgary and Edmonton participation as members of their Board of Directors.	This could potentially allow for Calgary and Edmonton to direct changes to the Building Code. The Safety Codes Council must be an independent body free from municipal agendas. Allowing membership to the Cities of Calgary and Edmonton opens up the potential for municipal politics to play a role in decisions related to the building code. Decisions on matters of the building code need to be made in the best interest of all Albertans and be free from the agendas of specific municipalities. Even seemingly minor code changes can result in substantial costs increases which directly impact housing affordability.
Building Energy Labelling	Cities and the GOA work together to encourage building labelling for the private sector.	This is consistent with what has been discussed as part of the Climate Leadership Plan so it is unclear why policies are needed in City Charters for this. While we need additional information on this enabling policy before providing a formal position, we have supported labelling at the provincial level so long as it applies to all homes, both existing and new. Any labelling program requires significant collaboration between the province, municipalities and industry.

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Environment as a General Purpose	Add consideration for the environment as a general purpose for the cities, allowing for greater environmental stewardship in urban development.	<p>This is extremely vague and provides no information related to what powers this would enable Calgary and Edmonton. Specific information related to why this is needed and what policy implications it would have need to be provided by the province.</p> <p>This could be dangerous if the correlating policies are just as vague as it will open the door to Calgary and Edmonton circumventing the rules and policies that are being established through the MGA. Environmental stewardship in urban development is addressed through land use policies, environmental reserve and conservation reserve. These are tools currently available to all municipalities and not something that requires additional powers for Calgary and Edmonton.</p>
Environment as it Relates to Land Use	Add 'the environment as it relates to land use' as a matter for which the cities may pass bylaws. Council can pass bylaws for other specific environmental matters such as contaminated sites, brownfield redevelopment, climate change, mature trees and biodiversity.	It is unclear why this is needed as part of City Charters when most of these matters were discussed in detail throughout the MGA Review process (with full involvement from the cities of Calgary and Edmonton). This has the potential to erode the recent changes to Environmental Reserve and establishment of Conservation Reserve that were intended to prevent the taking of privately held developable lands without compensation.
Subdivision Process	<p>City Councils will have the explicit power to determine their own process and process requirements for subdivision, including:</p> <ul style="list-style-type: none"> • Requirements for applications • Application referees, and where applicable, circulate to the appropriate Provincial bodies • Relevant considerations in making a decision 	<p>Additional subdivision powers should not be considered as part of City Charters. These matters were addressed extensively in the MGA Review and will be further addressed with revisions to the Subdivision and Development Regulation which has already been consulted on. The cities of Calgary and Edmonton were well represented throughout the engagement process so it would not be reasonable for them to circumvent the previously undertaken process.</p> <p>This issue has substantial implications for not only developers and home builders but any resident who is required to apply for a permit. Latitude has already been given to cities and larger municipalities in allowing them to establish their own timeframes; to provide Calgary and Edmonton with free rein with the subdivision process (including appeals) would create substantial uncertainty where it is not needed.</p>
Statutory Plans	City councils will have the authority to define additional types of statutory plans and how they fit into the hierarchy of plans.	<p>There needs to be further articulation on how this would be applied (specific examples) and why it is needed. The concern is that if left unfettered, applicants could be responsible for complying with dozens of different statutory plans which is extremely onerous. Under changes to the MGA, municipalities will have until 2019 to provide a list of all non-statutory plans and articulate how they relate to statutory plans. Until the extent of this list is understood, it is premature to grant the broad authority for Edmonton and Calgary to create statutory plans at their discretion.</p> <p>The delineation and hierarchy of statutory documents is an important policy structure that requires uniformity across the province. This is a principle that has been strengthened through a number of proposed changes to the MGA which will legislate a consistent policy</p>

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		<p>framework for all municipalities. As it stands, municipalities will be required to ensure all statutory plans (from Intermunicipal Collaboration Frameworks / Growth Management Plans all the way to Land Use Bylaws) be consistent. This allows residents and industry to readily understand the policy framework that governs land use and development decisions across Alberta.</p> <p>This requested policy appears to have the intent of negating Calgary and Edmonton's requirements (under changes to the MGA) to implement broad policies from non-statutory documents into concrete policies and requirements through amendments to their current statutory documents. If Calgary and Edmonton want to enact these policies, they have every ability to do so (through amendments to existing statutory plans) under the existing legislated framework.</p>
Land Use Bylaws	Enable city councils to regulate the content of their land use bylaw, including land allowable under districts, and the method of decision making and issuance of development permits.	<p>What is the challenge with the current provincial policies related to land use bylaws and development permit processes? The requirements under the MGA provide the framework for preparing Land Use Bylaws while providing flexibility in terms of how municipalities design and craft the standards it contains. It is unclear what barrier is currently in place that necessitates the need for Calgary and Edmonton to have this broad and far reaching power.</p> <p>This is a substantial change with considerable implications for industry. If this is being considered as part of the Charters, the province must allow for substantial consultation with stakeholders on this matter. The implications of this cannot be understood from the province through a couple of consultation sessions and a submission. The impacts of this need to be studied and fully understood by the province before they should consider enabling a power which can have such far reaching implications.</p>
Supplementary Assessments on Land	Cities may prepare supplementary assessments on property that has changed from farm land to another use due to its increase in value.	<p>This issue was pursued as part of amendments to the MGA, however, no changes were proposed. This would open the door for a variety of changes to farmland tax assessments that were not supported through the extensive MGA Review process. This appears to be an attempt to circumvent these past discussions and put policies into place through Charters. Land should be taxed on its actual use and not on its intended use.</p> <p>Converting land from agricultural to residential or another land use designation does not mean that it is no longer farmed, nor does it mean the lands receive any additional services warranting a higher tax rate.</p> <p>These properties do not receive or require services (water, sewer, stormwater, police, recreation, etc.) beyond the roads the run along their boundaries. It is unreasonable to expect them to pay full serviced residential rates or be assessed at any value other than farm value when they do not in fact receive any services other than road access.</p>

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Public Engagement and Communication	Provide councils with the authority to establish their own processes for public communication and engagement, including the authority to establish timing, methods and process for advertising, notifications, and public hearings.	<p>It is unclear what in the current legislation prevents Edmonton and Calgary from establishing comprehensive public consultation processes. This would potentially allow municipalities to substantially increase engagement requirements for development projects which results in cost increases that are eventually paid for by home buyers.</p> <p>In addition to previous MGA amendments which enable the creation of public participation policies at the municipal level, Calgary and Edmonton have undertaken substantial initiatives aimed at improving their engagement processes. It is unclear why additional powers are needed and what they would be used for. The MGA needs to provide the requirements for consistent community consultation that is tied to approval processes so that applicants and landowners do not get stuck in an endless consultation loop that has no end point.</p>
Housing Agreements to Follow Title	Enable the implementation of housing agreements that authorize a municipality or non-profit organization to enter into an agreement on land that it does not own. The agreement would run with the land, bind future owners of the land, and allow the municipality or non-profit organization to outline the terms and conditions.	The purpose, intent and application of this needs to be more fully understood. This could theoretically tie up parcels of land for decades and prevent redevelopment. What would these agreements specifically be for and why are they necessary? How would someone ever get out of an agreement? Will there be a mechanism for terminating an agreement at any point? Our understanding is that similar mechanisms exist today so it is unclear why additional powers are needed.
Protection of Existing Affordable Housing Stock	Enable the cities to create approval conditions requiring a contribution by the developer where council reasonably anticipates that a redevelopment will result in the loss of affordable housing units. This contribution would fund a portion of new affordable housing development.	Inclusionary housing, including contributions required as it relates to redevelopment, were discussed in detail throughout consultation associated with the Inclusionary Housing Regulation. Similar to comments on other proposed policies that have already been addressed through the MGA Review, it would be frustrating to have charter requirements circumvent discussions that have already occurred. If this item is to be considered further, we need to understand specifically why this is needed and why it cannot be properly addressed in the Inclusionary Housing Regulation.
Definition of Affordable Housing	Enable the cities to develop municipally derived definitions for affordable housing related to authorities of municipalities under the Municipal Government Act (MGA). The definitions cannot override other legislation such as the Alberta Housing Act.	It is unclear why the province would enable Calgary and Edmonton to create their own definitions when there is an Inclusionary Housing Regulation (under the MGA) and Affordable Housing Strategy underway at the provincial level. There needs to be consistency. Principles involving affordability are applicable province-wide.