

BUDGET 2020

GOVERNMENT OF ALBERTA | 2020-23

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# Ministry Business Plan Municipal Affairs

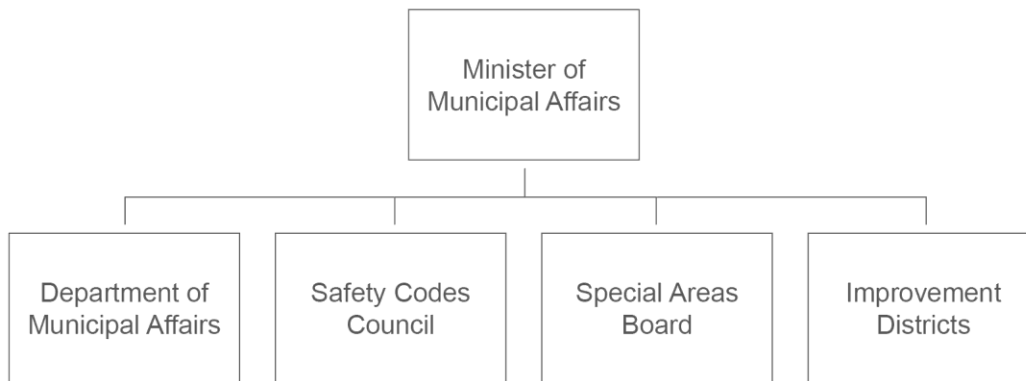
# Municipal Affairs

## Business Plan 2020–23

### Ministry Mandate and Structure

Municipal Affairs assists municipalities in providing well-managed local government to Albertans. This includes administering municipal grant programs; overseeing the property assessment and taxation system, including the preparation of designated industrial property and equalized assessments; managing public land and providing municipal services in the province’s three Special Areas; and providing limited administrative services to seven improvement districts. The ministry manages the network of municipal and library system boards that provides province-wide access to public library services for all Albertans. Municipal Affairs also works to enable local governments to facilitate Alberta’s economic prosperity. The ministry administers the safety codes system that helps ensure that the construction and maintenance of buildings and equipment meet appropriate safety standards. Municipal Affairs leads the co-ordination, collaboration, and co-operation of all organizations involved in the prevention, preparedness, response to and recovery from disasters and emergencies in the province. The ministry’s independent and impartial quasi-judicial boards provide fair and timely decisions on assessment, compensation, and land planning matters.

The ministry consists of the Department of Municipal Affairs and the Safety Codes Council. The ministry also includes the Special Areas Board and seven improvement districts, which are accountable to the minister.



A more detailed description of Municipal Affairs and its programs and initiatives can be found at: <https://www.alberta.ca/municipal-affairs.aspx>.

The Ministry of Municipal Affairs is committed to the ongoing review of programs and services to ensure that the best possible outcomes are being achieved for Albertans. As part of this ongoing review, the ministry is committed to reducing red tape to make life easier for hard-working Albertans and businesses. This includes reducing regulatory burden and unnecessary processes to encourage economic growth and job creation; and make Alberta one of the freest and fastest moving economies in the world. The ministry is committed to working towards achieving the one-third reduction in the number of regulatory requirements in its statutes, regulations, policies and forms by 2023.

## Ministry Outcomes

- Albertans live in viable municipalities and communities with fiscally responsible, collaborative, and accountable local governments
- Alberta's economic prosperity is facilitated by local governments
- Albertans are protected with safe buildings, homes, and communities
- Alberta is emergency-ready and resilient
- Albertans receive fair, timely, and well-reasoned decisions from the ministry's quasi-judicial boards

## Outcome 1

### What We Want To Achieve

#### **Albertans live in viable municipalities and communities with fiscally responsible, collaborative, and accountable local governments**

The ministry supports the viability of municipalities by providing grants and other financial support, administering the Municipal Internship Program, providing training opportunities, conducting municipal reviews and inspections, and undertaking other advisory activities. The ministry also provides support through the Municipal Sustainability Strategy, which helps improve the long-term viability of municipalities across the province. Further, the ministry oversees the property assessment and taxation system, including the preparation of designated industrial property and the equalized assessment, which assists with the development of the province's education property tax. Through these actions, Municipal Affairs fosters capacity building, transparency, and accountability, which are essential elements for responsible local government. The ministry also supports communities across the province through enabling equitable access to library services for all Albertans.

### Key Objectives

- 1.1 Work with municipalities to strengthen regional planning and service delivery through a number of regional governance mechanisms, such as intermunicipal collaboration frameworks and growth management boards.
- 1.2 Support municipalities in continuing to strengthen municipal accountability and transparency through the Municipal Accountability Program, the municipal inspection process, and the annual Alberta Municipalities Measurement Index.
- 1.3 Work collaboratively with municipalities and industry to improve the consistency and efficiency of the property assessment system by completing the transition to the centralized model for designated industrial property assessment.
- 1.4 Work collaboratively with municipalities and municipal associations in continuing to offer and develop tools and programs to support well-managed, accountable, and sustainable municipalities, including strategies to address unpaid linear property taxes and promote effective municipal asset management practices.
- 1.5 Provide funding to municipalities to help them meet their strategic long-term infrastructure needs and implement the new Local Government Fiscal Framework for municipal capital funding.
- 1.6 Enhance Albertans' access to public library resources by continuing to provide operating grants to library boards and to continue to invest in the province-wide library network.

## Initiatives Supporting Key Objectives

- In 2020-21, \$993 million is allocated for the Municipal Sustainability Initiative (MSI) in capital and operating funding. MSI is the province's primary capital grant program for municipalities, and supports vital local infrastructure such as roads, bridges, fire halls, water/wastewater systems, and recreation centres. The ministry will continue to support delivery of local projects under MSI through the program's planned conclusion in 2021-22.
- The Alberta Community Partnership provides targeted funding which focuses on regional collaboration and finding efficient and effective ways to deliver regional services, building capacity through municipal internships, resolving inter-municipal conflicts, and the exploration of regional governance. The 2020-21 budget is \$16.5 million.
- In 2020-21, \$37 million is allocated for Municipal Affairs to support public library services through: public library operating grants; support for SuperNet access in public libraries; interlibrary loan management and delivery; province-wide electronic content; improving access and eliminating barriers to library services for Indigenous people, print-disabled people, and Albertans living in rural and remote communities.

## Performance Metrics

### 1.a Performance Measure: Percentage of municipalities deemed to not be at risk based on financial and governance risk indicators

This measure includes a target that commits to a high standard of expected performance at the set rate of 90 per cent. This is the third year in which the performance measure has been included in the business plan and annual report, and Municipal Affairs is ensuring that the target reflects the work of the ministry, and the ongoing state of Alberta's municipalities. The 2018-19 actual results (for 2017) were above the 90% target (93%).

#### TARGETS

2020-21 (2019):	90%
2021-22 (2020):	90%
2022-23 (2021):	90%

## Outcome 2

### What We Want To Achieve

#### Alberta's economic prosperity is facilitated by local governments

Working in co-operation with the province's local governments, Municipal Affairs is well-positioned to deliver on the Government of Alberta's plan to reignite the economy, support job creators, and get Albertans working again. This includes working with municipalities to address regulatory and administrative burdens that create barriers to achieving the best possible outcomes for Albertans.

#### Key Objectives

- 2.1 Streamline regulatory requirements in municipal legislation and regulation that are hampering administrative efficiencies for municipalities, including a review of the regulations governing regional services commissions in the province. The proposed amendments will allow municipalities to be more responsive to the needs of their residents and businesses.

- 2.2 Enable municipalities to foster economic growth by ensuring they have the tools to do so, including facilitating pre-approved industrial zones and streamlining administration of special planning zones around the Edmonton and Calgary airports.
- 2.3 Develop and deliver on a red tape reduction plan to make sure the ministry’s current and new regulations are free of unnecessary red tape, as required by the *Red Tape Reduction Act*.
- 2.4 Develop new assessment models for wells, pipelines, and machinery and equipment for implementation in the 2021 tax year in order to modernize the regulated assessment system while promoting industry competitiveness and a predictable revenue base for municipalities.

**Initiatives Supporting Key Objectives**

- The ministry will convene a working group with representation from other Government of Alberta ministries and external stakeholders (including the Alberta Industrial Heartland Association and the Northeast Capital Industrial Association) to develop a pilot project in the Edmonton region that will identify procedural efficiencies, and explore potential legislative changes to facilitate these pre-approved industrial zones throughout the province.
- A thorough red tape reduction review of the *Municipal Government Act* will be undertaken focusing on ways to reduce regulatory burden and streamline provisions hampering administrative efficiencies for municipalities, citizens, and business and industry in the province.
- The ministry aims to reduce red tape for public library stakeholders by streamlining mechanisms for public library boards to meet their annual reporting requirements. This will include reducing the number of statistical reporting requirements with the additional possibility of enabling electronic submission of key documents. This will result in boards receiving their annual operating grants in a timelier manner.
- The Safety Codes Council is modernizing its website to provide greater access to safety codes information, including: free codes and guidelines, safety tips, accreditation and audit information, and information about where to get a permit. This modernization, budgeted at \$100,000, will reduce the steps needed for the public, safety codes officers, and accredited municipalities and corporations to access the information they need to carry out their responsibilities in the safety codes system/under the *Safety Codes Act*.

## Performance Metrics

**2.a Performance Measure: Regulatory requirements reduced across the ministry**

Municipal Affairs is reviewing all statutes, regulations, and associated policies, forms, and guides. This is being done to establish a baseline count of the number of regulatory requirements needed for citizens, businesses, and/or government to comply with statutes and regulations, or access government services. Once a baseline count is validated, targets will be established and the ministry will set about to eliminate unnecessary regulatory burdens. This is a new measure and initial results are expected in spring 2020 and will be reported in the ministry’s 2019-20 annual report.

**TARGETS**

2020-21:	12%
2021-22:	20%
2022-23:	33%

## Outcome 3

### What We Want To Achieve

#### Albertans are protected with safe buildings, homes, and communities

In order to help ensure Albertans are safe in their homes and communities, the ministry oversees a safety system that includes administration of the *Safety Codes Act*, the development and implementation of modern safety codes, and building capacity for municipalities to respond to fires. Municipal Affairs also administers the *New Home Buyer Protection Act*, which requires that all new homes built in Alberta are protected under warranty and all new home construction is performed by a licensed homebuilder.

#### Key Objectives

- 3.1 Align the safety codes system to a quality assurance framework that enables partners to act autonomously while holding them accountable.
- 3.2 Represent Alberta and its interests during the development of national and international codes for potential adoption in Alberta.
- 3.3 Reduce provincial trade barriers in safety codes.
- 3.4 Lower regulatory costs on new housing.

#### Initiatives Supporting Key Objectives

- In 2020-21, \$2.0 million is allocated for the Residential Protection Program, which includes processing builder license applications and renewals, administering a publicly accessible online registry of new residential homes covered under the warranty requirements, and promoting and enforcing the legislated requirements.

## Performance Metrics

### 3.a Performance Measure: Number of injuries and fatalities caused by structural or mechanical failure of buildings and associated systems per 100,000 population in Alberta

The 2018-19 (2018) results were 0.86.

Note: Targets are based on a five per cent annual reduction.

#### TARGETS

2020-21 (2020):	0.87
2021-22 (2021):	0.82
2022-23 (2022):	0.78

### 3.b Performance Indicator: Number of injuries and fatalities involving buildings or associated systems not caused by structural or mechanical failure per 100,000 population in Alberta

	2015	2016	2017	2018
Actuals	6.59	6.15	5.43	4.21

### 3.c Performance Indicator: Number of fire reports not caused by structural or mechanical failure of buildings and associated systems, per 100,000 population in Alberta

2016 actuals includes the Fort McMurray wildfires. When the wildfires are excluded, the number of fire reports per 100,000 population in 2016 is 100.54.

	2015	2016	2017	2018
Actuals	124.09	399.61	96.61	98.93

## Outcome 4

### What We Want To Achieve

#### Alberta is emergency-ready and resilient

To help Alberta's municipalities and communities better manage emergencies and disasters, the ministry provides a range of supports. Through the Alberta Emergency Management Agency, the ministry provides strategic policy advice and leadership to emergency management partners, and maintains and staffs the Provincial Operations Centre to co-ordinate the Government of Alberta's response to emergencies and disasters. The ministry also helps Albertans and communities recover after disasters by providing financial assistance, expert recovery advice, and co-ordinating resources across the Government of Alberta ministries and recovery stakeholders.

#### Key Objectives

- 4.1 Work with and support communities in implementing recent changes to the emergency management legislative framework to improve emergency preparedness at the community-level.
- 4.2 Improve Alberta's emergency preparedness and response capability through further development of regional incident management teams, and updating the Alberta Emergency Plan.
- 4.3 Improve community and individual-level disaster resilience by providing select on-line and in-person emergency management training to municipalities and through public awareness campaigns.
- 4.4 Empower communities and Albertans in their disaster recovery by engaging and co-ordinating recovery stakeholders, providing knowledge and expert advice, co-ordinating Government of Alberta disaster expenditures, and administering financial assistance.
- 4.5 Improve resilience within the Government of Alberta by strengthening the current business continuity and consequence management programs and by leading in the development of a provincial hazard and risk assessment and disaster resilience strategy.
- 4.6 Ensure Albertans have access to 911 and emergency public alerting services that are technologically current and agile.

#### Initiatives Supporting Key Objectives

- Municipal Affairs makes the Alberta Emergency Alert available to municipal, federal, and provincial users, enabling emergency notifications to be sent to Albertans. In 2020-21, \$600,000 is budgeted for this program.
- In 2020-21, \$17 million will be provided to 911 call centres to support the services they provide to Albertans who need emergency assistance.

## Performance Metrics

- 4.a **Performance Measure: Percentage of communities (municipalities, First Nations, and Metis Settlements) that have been visited by an Alberta Emergency Management Agency field officer and had their Community Emergency Management Plan reviewed annually**

This measure includes a target that commits to a high standard of expected performance at the set rate of 90 per cent. Field officer capacity is impacted by the unpredictability around the type, frequency, and severity of extraordinary disaster events. The 2018-19 actual results were 93 per cent.

#### TARGETS

2020-21:	90%
2021-22:	90%
2022-23:	90%

#### **4.b Performance Measure: Percentage of residential disaster financial assistance files that have received 90 per cent of its estimated funding within 90 days of being determined eligible for disaster financial assistance**

This measure includes a target that commits to a high standard of expected performance at the set rate of 90 per cent, taking into account the unpredictability around the type, frequency, and severity of extraordinary disaster events. Other factors that add the variability in performance are the volume and complexity of individual disaster financial assistance applications received. The 2018-19 actual results were 94 per cent.

#### TARGETS

2020-21:	90%
2021-22:	90%
2022-23:	90%

## Outcome 5

### What We Want To Achieve

#### **Albertans receive fair, timely, and well-reasoned decisions from the ministry's quasi-judicial boards**

The Municipal Government Board, New Home Buyer Protection Board, Surface Rights Board, and Land Compensation Board deliver fair and impartial quasi-judicial dispute resolution processes for assessment, compensation, land planning, and other matters that impact Albertans and the municipalities in which they live.

#### **Key Objectives**

- 5.1 Deliver an efficient and impartial appeals process for land planning, compensation, assessment, and other matters referred to the Boards.
- 5.2 Assist parties with resolving their disputes by providing effective alternative dispute resolution and mediation services.
- 5.3 Provide certification training and support to municipal Assessment Review Boards.
- 5.4 Strengthen the rights of landowners and operators to fair and timely decisions on surface rights matters by streamlining internal processes and reducing timelines for issuing decisions.
- 5.5 Legislatively amalgamate the Municipal Government Board, the New Home Buyer Protection Board, the Surface Rights Board, and the Land Compensation Board into a single board, to further reduce duplication and ensure efficiency.



## Initiatives Supporting Key Objectives

- In 2020-21, \$800,000 will be provided to support Municipal Assessment Review Boards across Alberta, providing board members to preside over composite assessment review board hearings.
- In 2020-21, \$150,000 will be provided to support Municipal Subdivision and Development Appeal Boards and Municipal Assessment Review Boards by providing certification training to board members and clerks.

## Performance Metrics

### 5.a Performance Measure: Percentage of parties to Municipal Government Board appeals who are satisfied or neutral regarding the Board's performance of services in support of planning, annexation, designated industrial property, and equalized assessment appeals

The 2018-19 actual results were 89 per cent.

#### TARGETS

2020-21:	88%
2021-22:	88%
2022-23:	88%

### 5.b Performance Indicator: Percentage satisfied or neutral regarding Municipal Government Board support to Municipal Composite Assessment Review Boards

The 2018-19 actual results (for 2018) were 96 per cent.

	2014	2015	2016	2017	2018
Actuals	100%	100%	100%	99%	96%

## STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2020-21 Estimate	2021-22 Target	2022-23 Target
	2018-19 Actual	2019-20 Budget	2019-20 Forecast			
<b>REVENUE</b>						
Transfers from Government of Canada						
Federal Gas Tax Fund	228,827	476,544	476,544	<b>244,029</b>	255,121	255,121
Disaster Assistance	31,129	-	-	-	-	-
Other	8,494	5,000	5,000	<b>16,640</b>	28,705	25,051
Investment Income	495	475	475	<b>250</b>	258	266
Premiums, Fees and Licences	38,496	37,974	37,974	<b>38,125</b>	38,430	38,842
Other Revenue	83,545	23,999	23,999	<b>25,670</b>	25,878	25,806
<b>Consolidated Total</b>	<b>390,986</b>	<b>543,992</b>	<b>543,992</b>	<b>324,714</b>	<b>348,392</b>	<b>345,086</b>
<b>EXPENSE</b>						
Ministry Support Services	8,211	8,425	8,425	<b>8,302</b>	8,302	8,302
Municipal Services	47,435	47,050	47,050	<b>46,393</b>	46,393	46,393
Municipal Assessments and Grant Administration	26,696	25,645	25,645	<b>26,547</b>	26,752	26,678
Municipal Sustainability Initiative	663,852	670,773	670,773	<b>993,000</b>	927,200	-
Local Government Fiscal Framework	-	-	-	-	-	890,000
Federal Grant Programs	245,815	486,544	486,544	<b>260,774</b>	283,931	280,277
Grants in Place of Taxes	53,486	44,554	43,054	<b>30,197</b>	30,025	30,025
Alberta Community Partnership	21,371	16,500	16,500	<b>16,500</b>	16,500	16,500
Technical and Corporate Services	14,550	15,439	14,407	<b>13,216</b>	12,943	12,888
Alberta Emergency Management Agency	160,058	125,249	117,120	<b>76,956</b>	76,956	76,956
Quasi-Judicial Boards	6,503	6,204	6,204	<b>7,741</b>	7,122	7,122
2016 Wood Buffalo Wildfire	935	873	873	-	-	-
Municipal Cannabis Transition Program	11,150	-	-	-	-	-
2019 Northwest Alberta Wildfires	-	118,360	111,784	-	-	-
Safety Codes Council	14,713	15,184	15,184	<b>15,054</b>	15,027	14,709
<b>Ministry Total</b>	<b>1,274,775</b>	<b>1,580,800</b>	<b>1,563,563</b>	<b>1,494,680</b>	<b>1,451,151</b>	<b>1,409,850</b>
Inter-Ministry Consolidations	(220)	-	-	-	-	-
<b>Consolidated Total</b>	<b>1,274,555</b>	<b>1,580,800</b>	<b>1,563,563</b>	<b>1,494,680</b>	<b>1,451,151</b>	<b>1,409,850</b>
<b>Net Operating Result</b>	<b>(883,569)</b>	<b>(1,036,808)</b>	<b>(1,019,571)</b>	<b>(1,169,966)</b>	<b>(1,102,759)</b>	<b>(1,064,764)</b>
<b>CAPITAL INVESTMENT</b>						
Municipal Assessments and Grant Administration	213	1,787	943	<b>8,257</b>	2,000	2,200
Technical and Corporate Services	1,209	-	-	-	-	-
Alberta Emergency Management Agency	6,407	11,645	8,133	<b>3,809</b>	3,808	2,300
Safety Codes Council	2,336	305	305	<b>609</b>	295	170
<b>Consolidated Total</b>	<b>10,165</b>	<b>13,737</b>	<b>9,381</b>	<b>12,675</b>	<b>6,103</b>	<b>4,670</b>