

BUDGET 2021

GOVERNMENT OF ALBERTA | 2021-24

Ministry Business Plan Municipal Affairs

Municipal Affairs

Business Plan 2021-24

Ministry Fact Sheet – Mandate and Structure

Municipal Affairs supports municipalities in providing well-managed, accountable local government to Albertans. This includes administering municipal grant programs; providing advisory and capacity-building supports; 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 continues to support municipalities, as they play a significant role in creating local economic conditions that shape Alberta's vibrant communities. Municipal Affairs and local governments are working together to:

- reduce provincial and municipal red tape to enable a culture of innovation;
- make it easier for industry and commerce to do business in our communities;
- empower and inspire entrepreneurs to start new enterprises; and
- make public services more accessible and efficient for Albertans.

The ministry will provide infrastructure funding to support strategic investment in local projects that will both stimulate economic recovery in the short term and lay the foundations for long-term success.

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. Ministry-administered grants include:

- the Municipal Sustainability Initiative, the province's primary capital grant program for municipalities;
- the Alberta Community Partnership, which provides targeted funding that focuses on regional collaboration, and finding efficient and effective ways to deliver regional services; and
- federal programs, such as the Gas Tax Fund.

The ministry also provides support through the Municipal Sustainability Strategy, which helps improve the long-term viability of municipalities across the province through capacity building tools, targeted funding and the viability review process. 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, the ministry fosters capacity building, transparency, and accountability, which are essential elements for responsible local government. The ministry manages and funds the network of municipal and regional library system boards that provides public library services for Albertans. Provincial support (in the form of direct operating grants and services such as SuperNet connectivity and e-content) enables equitable access to library services for all Albertans. Municipal Affairs also works to enable local governments to facilitate Alberta's economic prosperity by:

- helping them provide the infrastructure and services that attract business investment in their communities;
- reducing red tape to streamline processes for local governments and businesses;
- extending deadlines around COVID-19 utility or property tax relief programs for residents and businesses;
- providing grants for specific projects to stimulate economic development; and
- providing ongoing support, training and educational opportunities to facilitate well-managed municipalities.

In order to help ensure Albertans are safe in their homes and communities, the ministry administers the safety codes system to:

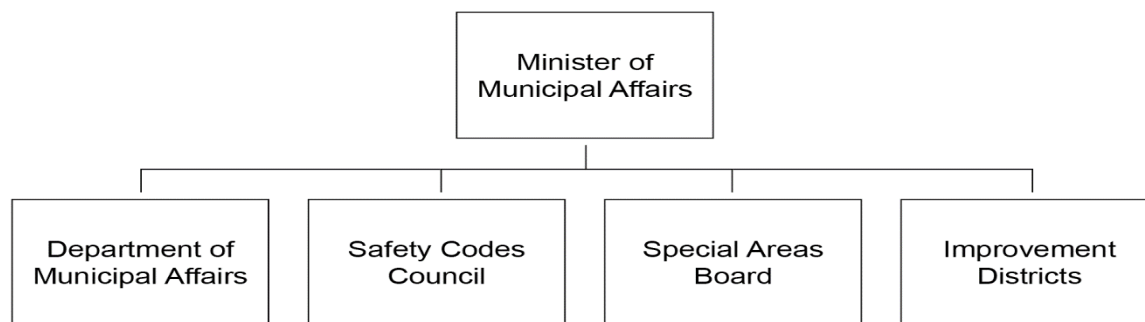
- help ensure the construction and maintenance of buildings and equipment meet appropriate safety standards;
- ensure all new homes built in Alberta are constructed by a licensed homebuilder and protected under warranty;
- develop and implement modern safety codes; and
- build capacity for municipalities to respond to fires.

Municipal Affairs leads the coordination, collaboration, and cooperation of all organizations involved in the prevention, preparedness, response to, and recovery from disasters and emergencies in the province. 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. These supports include:

- providing strategic policy advice and leadership to emergency management partners;
- maintaining and staffing the Provincial Operations Centre to coordinate the Government of Alberta’s response to emergencies and disasters;
- maintaining Alberta Emergency Alert, which alerts the public with critical life-saving information about ongoing disasters;
- the Alberta First Responders Radio Communications System, which provides quality, cost-effective, secure, and reliable land-radio mobile communications to all first responders in Alberta;
- helping Albertans and communities recover from disasters by providing financial assistance, recovery advice, and coordinating resources across the Government of Alberta ministries and recovery stakeholders; and
- ensuring that Alberta’s 911 system is robust, agile, and adaptable to new technological requirements.

The ministry also supports the Municipal Government Board, Land Compensation Board, New Home Buyer Protection Board, and Surface Rights Board, which will amalgamate into the Land and Property Rights Tribunal on June 2, 2021. The boards deliver fair, impartial, and well-reasoned decisions and recommendations on a variety of matters, including designated industrial property assessment, commercial and multi-residential property assessment, subdivision appeals, and annexations. The boards grant right of entry and resolve compensation disputes involving expropriations, unpaid surface leases, or when operators require access to private land or occupied Crown land for the purposes of developing subsurface resources. The boards also provide parties with a dispute resolution process to help resolve their disputes prior to a formal hearing. Finally, the boards support municipalities by providing certification training for board members and clerks of assessment review boards and subdivision and development appeal boards across Alberta.

The ministry consists of the Department of Municipal Affairs and the Safety Codes Council, and 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: www.alberta.ca/municipal-affairs.aspx.

The Ministry of Municipal Affairs continues to review programs to ensure Albertans receive efficient and client-focused services from their government. As part of this ongoing review, the ministry is committed to making life easier for hard-working Albertans and job creators by reducing regulatory requirements by one-third by 2023, and eliminating administrative burden through more efficient processes. This work will improve service delivery for Albertans; foster economic growth, innovation and competitiveness; and create a strong and attractive investment climate.

Ministry business plans should be considered in conjunction with all budget documents - including the Fiscal Plan, Government Strategic Plan, and Estimates - which work together to provide a complete overview of government’s commitment to responsible fiscal management.

Business Plan – Core

Outcome 1

Alberta’s local governments encourage and support economic prosperity

Key Objectives

- 1.1 Streamline regulatory requirements in municipal legislation that are hampering administrative efficiencies for municipalities and industry in order to encourage economic growth, including a review of land-use planning and development processes, requirements, and timelines.
- 1.2 Work with municipalities to reduce municipal red tape and impediments to economic growth that may be a barrier to investment, to ensure that communities are well-positioned to support economic recovery.
- 1.3 Implement assessment and tax incentives designed to encourage new investment in the oil and gas sector.
- 1.4 Develop initiatives to reduce the ministry’s red tape, and establish a framework to keep future ministry programs, policies, forms, and legislation free of unnecessary regulatory requirements.

Initiatives Supporting Key Objectives

- The Municipal Stimulus Program is investing \$500 million to sustain and create local jobs; enhance provincial competitiveness; position communities to participate in future economic growth; and reduce municipal red tape.

Performance Metrics

1.a Performance Measure: Regulatory requirements reduced across the ministry

For 2019-20, the ministry reduced regulatory requirements by 11.1 per cent, exceeding the five per cent target.

Targets	2021-22	20%	2022-23	33%	2023-24	Zero net increase
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Outcome 2

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

Key Objectives

- 2.1 Enhance municipal service delivery through intermunicipal collaboration frameworks and growth management boards.
- 2.2 Encourage municipal accountability and transparency.
- 2.3 Oversee the property tax and assessment system, and prepare assessments for designated industrial property.
- 2.4 Collaborate with municipalities and municipal associations to develop tools and programs to support well-managed, accountable, and sustainable municipalities.
- 2.5 Provide capital grants to support sustainable investment in municipal infrastructure.

Initiatives Supporting Key Objectives

- In 2021-22, \$1.2 billion is allocated for the Municipal Sustainability Initiative.
- For 2021-22, \$25.4 million is budgeted for the Alberta Community Partnership.

Performance Metrics

2.a Performance Measure: Percentage of municipalities deemed not at risk based on financial and governance risk indicators

Measures ability of municipalities to meet legislated obligations and serve their communities, using indicators developed with stakeholders. The 2019-20 actual results, 94 per cent, exceeded the target of 90 per cent.

Targets	2021-22	90%	2022-23	90%	2023-24	90%
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Outcome 3

Albertans are protected with safe buildings, homes, and communities

Key Objectives

- 3.1 Align the safety system (i.e. administration of the *Safety Codes Act* and the *New Home Buyer Protection Act*) to a quality assurance framework that increases partner autonomy and accountability.
- 3.2 Represent Alberta and its policy interests, including the reduction of trade barriers, during the development of national and international codes for potential adoption in Alberta.
- 3.3 Reduce red tape for home builders to lower the regulatory cost that has increased the price of new housing.

Initiatives Supporting Key Objectives

- Removing excessive regulatory requirements and oversight in the *New Home Buyer Protection Act* results in savings for builders and condominium building owners of approximately \$2.7 million annually.

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

Measures the overall safety of buildings and associated systems. The 2019-20 results were 0.80, below the target of 0.91. Targets are based on a five per cent annual reduction.

Targets	2021-22	0.82	2022-23	0.78	2023-24	0.74
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Outcome 4

Alberta is emergency-ready and resilient to the impacts of disasters

Key Objectives

- 4.1 Work with and support Albertans and their communities as they manage the impacts of the pandemic.
- 4.2 Lead the implementation of a provincial hazard identification and risk assessment to help reduce disaster risk.
- 4.3 Support public and private disaster recovery through coordination, planning expertise, and financial assistance.

Initiatives Supporting Key Objectives

- In 2021-22, the Personal Protective Equipment Task Force will distribute at least \$32.8 million worth of personal protective equipment to support Albertans.

Performance Metrics

4.a Performance Measure: Percentage of communities visited by an Alberta Emergency Management Agency field officer and had their Community Emergency Management Plan reviewed annually

Measures the effectiveness of provincial oversight in reviewing local emergency plans, accounting for capacity issues from unpredictability of extraordinary disaster events. The 2019-20 actual results were 85 per cent, and the 2021-22 target has been reduced by 10 per cent to account for a reduction in visits due to the pandemic.

Targets	2021-22	80%	2022-23	90%	2023-24	90%
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STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2021-22 Estimate	2022-23 Target	2023-24 Target
	2019-20 Actual	2020-21 Budget	2020-21 Forecast			
REVENUE						
Transfers from Government of Canada						
Federal Gas Tax Fund	473,670	244,029	246,903	255,121	255,121	266,214
Disaster Assistance	26,329	-	48,629	-	-	-
Other	4,386	16,640	4,322	40,099	28,526	12,026
Premiums, Fees and Licences	39,074	38,125	36,975	38,554	38,674	39,456
Investment Income	508	250	250	250	258	266
Other Revenue	84,996	25,670	26,024	26,000	25,434	24,935
Ministry Total	628,963	324,714	363,103	360,024	348,013	342,897
Inter-Ministry Consolidations	(8)	-	-	-	-	-
Consolidated Total	628,955	324,714	363,103	360,024	348,013	342,897
EXPENSE						
Ministry Support Services	7,501	8,302	8,302	7,931	7,882	7,882
Municipal Services	46,014	46,393	46,393	46,060	45,970	45,970
Municipal Assessments and Grants	23,881	26,547	26,547	25,982	25,283	24,784
Municipal Sustainability Initiative	670,773	993,000	1,000,000	1,226,000	515,000	515,000
Federal Grant Programs	482,471	260,774	827,713	295,218	283,644	278,882
Grants in Place of Taxes	41,678	30,197	30,197	30,025	30,025	30,025
Alberta Community Partnership	11,865	16,500	8,400	25,400	15,400	15,400
Technical and Corporate Services	13,702	13,216	12,992	12,646	12,530	12,237
Alberta Emergency Management Agency	115,519	76,956	319,470	110,204	77,280	77,280
Quasi-Judicial Boards	6,258	7,741	7,741	6,963	6,920	6,920
2016 Wood Buffalo Wildfire	387	-	604	-	-	-
2019 Northwest Alberta Wildfires	111,784	-	-	-	-	-
Municipal Stimulus Program	-	-	500,000	-	-	-
Safety Codes Council	15,127	15,054	13,469	14,716	14,817	15,071
Ministry Total	1,546,960	1,494,680	2,801,828	1,801,145	1,034,751	1,029,451
Inter-Ministry Consolidations	(4,875)	-	-	-	-	-
Consolidated Total	1,542,085	1,494,680	2,801,828	1,801,145	1,034,751	1,029,451
Net Operating Result	(913,130)	(1,169,966)	(2,438,725)	(1,441,121)	(686,738)	(686,554)
CAPITAL INVESTMENT						
Ministry Support Services	21	-	-	-	-	-
Municipal Assessments and Grants	63	8,257	1,284	4,071	709	600
Alberta Emergency Management Agency	4,047	3,809	6,486	5,117	2,300	2,300
Safety Codes Council	313	609	609	375	170	170
Consolidated Total	4,444	12,675	8,379	9,563	3,179	3,070