

Calgary



# Local improvements



# Introduction

This brochure explains local improvements and how they affect your property and your taxes.

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## Defining local improvements

Local improvements are construction projects that Council considers to be of greater benefit to a particular area of the municipality than to the whole municipality. Examples include street or lane paving, driveway crossing construction, new sidewalk, and curb and gutter.

The full costs for these improvements are charged to the benefitting property owners.

## Governing local improvements

The Municipal Government Act provides statutes for the administration of local improvements.

## Initiating local improvements

Property owners or The City of Calgary can initiate local improvements. In either case, a Notice of Intention to Undertake a Local Improvement is sent to affected property owners by The City after a valid petition has been received. This indicates the type of work proposed and the estimated cost to the property owner.

## Concrete

If The City of Calgary replaces infrastructure, e.g. sidewalks or curb and gutter, which have reached the end of their lifecycle in a community, property owners will not have to contribute to the cost of replacement. The replacement would only take place based on priorities and available funding. If The City does not plan to replace the infrastructure for years and the property owner(s) want the replacement done sooner, they can have the replacement done as a local improvement with the property owner and The City cost-sharing the replacement, each paying 50% of the cost.

## What regular taxes cover

Regular taxes are used to finance City operations and maintain existing infrastructure, snow and ice control, sweeping and essential services, such as Police and Fire.

## Reasons for local improvements

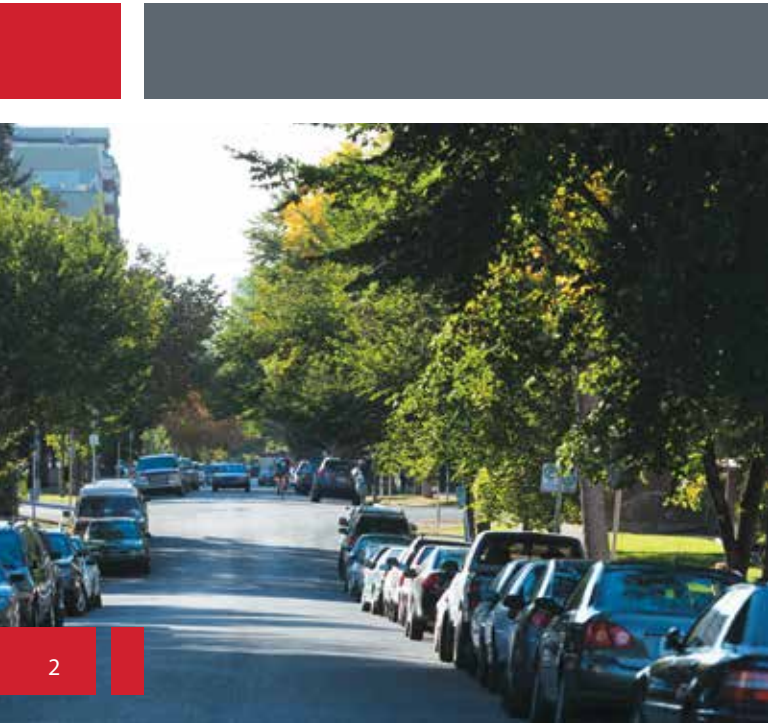
Through the local improvement process, The City and property owners facilitate and support efforts to improve neighbourhood assets. Local improvement projects maintain or improve accessibility, and enhance appearance without burdening all taxpayers with the full financial responsibility of improving these public spaces.

Local improvement projects can improve amenities in a specific area and can contribute to increased attractiveness and accessibility. The local improvement process provides a mechanism for adjacent residents to improve public infrastructure such as paving a lane, while sharing the cost with other benefitting property owners.

Lane paving is an effective means of dust reduction, offers better drainage, and prevents erosion of the lane surface.

Proper driveway crossings often replace ramps or built-up material in the gutter, resulting in improved drainage.

In addition, The City works with business revitalization zones, community associations and other groups to identify improvements in specific areas, like downtown malls and streetscape improvement projects. When a local improvement is initiated, the property owners and Council ultimately decide whether the project will be constructed.



## Requesting a local improvement

1. Request a petition package (includes a petition form, rate sheet, initial estimated costs, map, statement of witness and affidavit) by creating a City of Calgary Service Request online at [Calgary.ca/localimprovements](http://Calgary.ca/localimprovements) or by calling 311.
2. To be valid, the petition must be signed by at least two-thirds of the affected property owners who represent at least half the assessed property values. All signatures must be obtained within a 60-day period, in accordance with the provisions in the Municipal Government Act.

The owner of multiple properties within the affected area will count as only one vote. City owned properties remain neutral in the petition process and do not appear on the petition form. However, City property is assessed in the same manner as privately owned properties (i.e. pay their share).

3. Each witness must complete and sign a statement of witness and an affidavit of witness to the signatures. The affidavit must be completed and signed in the presence of a Commissioner for Oaths (available free of charge at the Local Improvement Office by appointment only). Call 311 or the number provided in the petition package to make an appointment. Once signed, return the petition, statement of witness and affidavit to The City as indicated in the package.
4. The affected property owners are notified in writing whether or not the petition is valid. When a valid petition is received, the proposed project is included in the next available group of local improvements. If an invalid petition is received, no further action takes place.
5. The City will send a Notice of Intention to affected property owners. This indicates the type of work proposed and the estimated cost to each property owner. Affected property owners have **30 days from the mailing date of this notice** to appeal through the Petition Against process, outlined on the next page.
6. The City normally processes two groups of local improvement projects each year. The first group is scheduled for Council approval prior to the beginning of the construction season. The second group of projects is scheduled for Council's approval in mid-summer. Depending on the amount of work and weather conditions throughout the construction season, projects in the second group may be completed by the end of the construction season, or may be deferred to the following year. It takes a minimum of four months to process a group of local improvement projects. Petitions received after March are included in the first group of local improvement projects the following year.

## Petitioning against a local improvement

1. Request a petition against package (includes a petition form, map, statement of witness and affidavit) by creating a City of Calgary Service Request either online at [Calgary.ca/localimprovements](https://calgary.ca/localimprovements) or by calling 311.
2. To be valid, the petition must be signed by at least two-thirds of the affected property owners who represent at least half the assessed property values.

The owner of multiple properties within the affected area will count as only one vote. City owned properties remain neutral in the petition process and do not appear on the petition form. However, City property is assessed in the same manner as privately owned properties (i.e. pay their share).

3. Each witness must complete and sign a statement of witness and an affidavit of witness to the signatures. The affidavit must be completed and signed in the presence of a Commissioner for Oaths (available free of charge at the Local Improvement Office by appointment only). Call 311 or the number provided in the petition against package to make an appointment. Once signed, return the petition, statement of witness and affidavit to The City **within 30 days of the mailing date of the Notice of Intention**, in accordance with the provisions in the Municipal Government Act.
4. The affected property owners are notified in writing whether or not the petition against is valid.
5. If the petition against the proposed local improvement is valid, The City cannot proceed with the proposed improvement and advises Council of the valid petition against.
6. If the petition against the proposed local improvement is invalid, Council is advised of the results then decides if the proposed local improvement will be constructed.
7. Affected property owners will be notified in writing of Council's decision.

## Assessing (billing for) a local improvement

The City uses the word “assessing” to indicate how a property owner will be billed or charged for a local improvement.

Properties benefitting from a local improvement are assessed in a fair and equitable manner, according to provisions in the Municipal Government Act. The cost of a local improvement may be assessed against:

- Properties that abut the work.
- Properties that don't abut the work but benefit from it.
- Both of the above.

No properties are exempt from local improvement assessments. City owned properties are assessed in the same manner as privately owned properties (i.e. pay their share).



# Assessing (billing for) residential properties

Properties abutting a local improvement are typically assessed based on assessable metres. In most cases, assessable metres are the same as the width of the property.

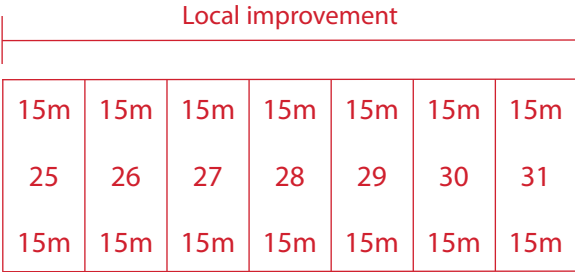
## Frontage assessment

Properties abutting a local improvement “front” the work. Figure A illustrates a frontage assessment.

Properties 25 through 31 are charged for the local improvement based on an assessable frontage of 15 metres.

Each property would be charged the rate per metre x 15 metres = cost per property.

Figure A



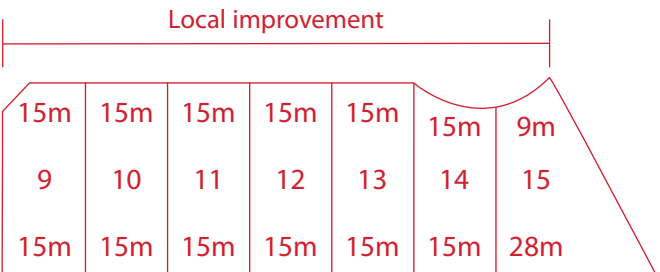
In the case of irregularly shaped lots (where the sides are not parallel), the following formula is used to determine assessed frontage:

Longest width - shortest width x 35% + shortest width. This formula ensures that all properties are assessed equitably. Property 15 in Figure B is an example of how this formula would apply.

$$28 - 9 = 19 \times 35\% = 6.65 + 9 = 15.65\text{m}$$

Rate per metre x 15.65 = cost for irregular shaped lot.

Figure B





## Assessing (billing for) non-residential properties

Non-residential property assessments are based on the assessable metres of property abutting the local improvement.

In Figure C, lots 1 to 4 would be charged for 15 metres, and lot 5 charged 30 metres. Lots 6 and 7 would not be charged.

Figure C

Local improvement					
15m	15m	15m	15m	30m	15m
1	2	3	4	5	6
				6	7
				7	15m

## How is the cost determined?

The cost assessed to property owners is calculated in one of two ways.

### Uniform tax rate

For common types of residential local improvements, like lane paving and sidewalks, uniform tax rates for each type of improvement are approved by Council each year. The rates are based on actual construction costs. The cost for a property owner is calculated by multiplying the property's assessable metres by the uniform tax rate.

### Actual cost

Non-standard types of improvements are assessed on the actual cost of the work. To calculate the cost per metre for the project, the total cost of the project is divided by the total assessable frontage of the project. The cost for each property is then calculated by multiplying its assessable frontage by the cost per metre.

## Other assessment methods

Assessments can also be based on each parcel of land or each unit of area.

### Examples

In the case of condominiums, a local improvement of \$10,000 may affect 100 units; the cost to each unit would be:

$$\$10,000 \div 100 = \$100/\text{unit}.$$

A local improvement of \$100,000 may affect 20 parcels with a total area of 100 hectares.

Cost:  $\$100,000 \div 100 = \$1,000/\text{hectare}$ . For a 5-hectare parcel, total cost would be:

$$5 \times \$1,000 = \$5,000.$$



## Paying for local improvements

Each property owner has three options for payment once construction is completed.

1. Payment of the full payout amount (no interest is included).
2. Annual payments that are included in the property tax bill for the term of the bylaw with a typical bylaw term of 15 years. Interest is included and the interest is fixed for the term of the bylaw.
3. Partial or entire payments can be applied to the account at any time.

In the year following construction, affected property owners will be mailed a Local Improvement Assessment Notice and a Payout Notice.

The Assessment Notice provides details of the assessable metres, term, the annual rate, etc. The Payout Notice provides the rate of interest and the annual and payout amounts.

If you choose not to pay the full payout amount, the charges are automatically applied to your annual property tax bill.

You may request a payout balance at any time during the term of the bylaw. Interest charges are included up to that year only.

Local improvement balances can be paid out in full at any time during the term of the bylaw. Once paid, the interest charges are applied up to that year only.

### Example 1

If your lane is paved and your property has an assessable frontage of 15 metres, and the uniform tax rate per assessable metre is \$396.00, then the total payout cost would be:

$$15 \text{ metres} \times \$396.00 = \$5,940.00.$$

If amortized at 4 per cent over 15 years, the annual charge, including interest, would be \$35.62 per metre. The cost would then be:

$$15 \text{ metres} \times \$35.62 = \$534.30 \text{ per year for 15 years} \\ \text{or a total of } \$8,014.50.$$

### Example 2

For a double-driveway crossing improvement, the total cost of the project is \$2,300.00. This is the total payout amount.

If amortized at 4 per cent over 15 years, the annual charge would be \$206.86. The total cost over 15 years would be \$3,102.90.

## Disagreeing with my assessment

After receiving the Local Improvement Assessment Notice, property owners can appeal to the Assessment Review Board within 30 days from the mailing date of the Assessment Notice.

Items for appeal include:

- Incorrect assessable frontages.
- Incorrect owners assessed.
- Incorrect calculations.

In many cases, assessment complaints can be resolved without going through the appeal process. For this reason, property owners should contact the Local Improvement Unit by calling 311 before filing a complaint. City representatives meet with the property owner to explain the assessment and review the complaint.

Resolving complaints in this manner saves time and expenses for both the property owner and The City.

The uniform cost rates cannot be appealed.



## Local improvement FAQs

### Do I have to pay if I don't support the local improvement project?

Once Council approves the project and construction has been completed, all property owners affected by the improvement are required to pay their assessed cost, even if they are opposed to the project.

### Why is the payout amount less than the annual charge multiplied by the number of years?

In order to finance the projects, The City borrows funds and pays interest on these funds. This cost of borrowing is passed on to the property owners.

### Who does the construction work?

Generally, local improvement projects are tendered out to private contractors.

### Will you pave up to my garage?

For lane paving, the area that will be paved extends from the property line on one side of the lane to the property line on the other side. If an owner's garage slab does not extend to the property line, a complete connection can be arranged at the time of construction between the property owner and contractor. This work would be at an additional cost to the property owner and payable directly to the contractor.

For road paving, the area that will be paved is usually centered in the road right-of-way. There may also be curbs and gutters with or without concrete sidewalks. This can result in gaps between the road surface and driveways accessing private properties. Any driveway extension required to eliminate this gap is the responsibility of the property owner. These connections can be arranged at the time of construction at an additional cost to the property owner.

## **Are there any options for individuals that cannot afford to pay the local improvement charges?**

Financial assistance is not available on local improvement projects. If you are a property owner experiencing financial hardship you may be eligible for a deferral on your property tax account through the Property Tax Assistance Program. Visit [Calgary.ca/propertytax](http://Calgary.ca/propertytax) or call 311.

## **How do I prepare for construction?**

Informational door hangers from The City's Transportation Department are delivered to all properties affected by the local improvement 48 hours prior to construction. By carefully reading the information provided, you can take all the necessary precautions for a successful local improvement. If you have questions or concerns, please contact the Local Improvement Unit by calling 311.

## **Are names of the registered property owners provided with the petition?**

The City is not able to supply the names of the affected property owners for privacy reasons. As you are circulating the petition, you need to ensure the person signing is the registered property owner.





# Local improvements

For further information,  
please contact  
The City of Calgary Roads,  
Local Improvement Unit:

Phone: 311

Online: [Calgary.ca/localimprovements](http://Calgary.ca/localimprovements)