CALL TO ORDER

APPROVAL OF AGENDA

ADOPTION OF PREVIOUS NOTES

3.1 Approval of Notes of the Committee-of-the-Whole Meeting held Monday, June 15, 2020

DELEGATIONS & PRESENTATIONS

BUSINESS ARISING FROM PRESENTATIONS

REPORTS FROM COMMITTEE & ADMINISTRATION

6.1 Corporate Partnerships Update
( D. Broadbent / L. Weller - 15 minutes)
(Presentation Attached)

6.2 Assessment Update
(G. Damo / J. Cannon - 15 minutes)

INFORMATION ITEMS

CLOSED SESSION

RISE AND REPORT FROM CLOSED SESSION

ADJOURNMENT
NOTES OF THE CITY OF LEDUC
COMMITTEE-OF-THE-WHOLE MEETING

Monday, June 15, 2020

Present: Mayor B. Young, Councillor B. Beckett, Councillor G. Finstad, Councillor B. Hamilton, Councillor L. Hansen, Councillor T. Lazowski, Councillor L. Tillack

Also Present: M. Pieters, A/City Manager, S. Davis, City Clerk

1. CALL TO ORDER
Mayor B. Young called the meeting to order at 5:02 pm.

2. APPROVAL OF AGENDA

MOVED by Councillor L. Hansen
That the Committee-of-the-Whole approve the agenda with the following addition:

6. REPORTS FROM COMMITTEE AND ADMINISTRATION
6.4 Regional Transit Services Commission Representatives

Motion Carried Unanimously

3. ADOPTION OF PREVIOUS NOTES
3.1 Approval of Notes of the Committee-of-the-Whole Meeting held Monday, June 8, 2020

MOVED by Councillor B. Beckett
That the notes of the Committee-of-the-Whole meeting held on Monday, June 8, 2020 be approved as presented.

Motion Carried Unanimously
4. **DELEGATIONS & PRESENTATIONS**

4.1 **Indigenous Land Acknowledgment Day and National Indigenous Peoples Day**

Councillor B. Hamilton made a presentation relative to the City of Leduc's acknowledgement of National Indigenous Peoples Day in Canada, and proclamation of Indigenous Land Acknowledgment Day in Leduc.

5. **BUSINESS ARISING FROM PRESENTATIONS**

6. **REPORTS FROM COMMITTEE & ADMINISTRATION**

6.1 **Capital Budget Update**

J. Cannon, Director, Finance, and I. Sasniuk, General Manager, Corporate Services, made a PowerPoint presentation (Attached to Amended Agenda).

S. Olson, A/General Manager, Infrastructure and Planning, G. Klenke, City Solicitor, Mayor B. Young, I. Sasniuk, J. Cannon, M. Pieters, A/City Manager, D. Melvie, General Manager, Community and Protective Services and R. Sereda, Director, Public Services, answered the Committee’s questions.

6.2 **Fencing Around Spray Park**

D. Melvie, General Manager, Community and Protective Services, made a PowerPoint presentation (Attached to Agenda). D. Melvie advised that additional landscaping has been added to deter spray park users from going to the pond in Alexandra Park.

D. Melvie and E. Paras, Director, Facilities and Property Services, answered the Committee’s questions.

6.3 **Stage 2 Recovery Update**

D. Melvie, General Manager, Community and Protective Services, made a PowerPoint presentation (Attached to Amended Agenda).

Majority of Committee members agree amenities should open as soon as is reasonably possible.

D. Melvie, J. Kamlah, Director, Recreation Services, and Mayor B. Young answered the Committee’s questions.
6.4 **Regional Transit Services Commission Representative**

Mayor B. Young made a verbal presentation.

Committee members agreed to the appointment of Councillor G. Finstad to the Regional Transit Services Commission and the appointment of Councillor B. Beckett as the Alternate.

7. **GOVERNANCE**

There were no items.

8. **COUNCIL CALENDAR UPDATES**

There were no items.

9. **INFORMATION ITEMS**

9.1 **Future Agenda Items**

Mayor B. Young made a verbal presentation.

10. **CLOSED SESSION**

**MOVED by** Councillor L. Hansen

That Committee-of-the-Whole move into Closed Session at 6:38 pm.

*Motion Carried Unanimously*

10.1 **Intermunicipal Projects Update/Strategic Planning**

**FOIP s. 21 & 25**

**MOVED by** Councillor L. Hansen

That the Committee-of-the-Whole move into Open Session at 6:50 pm.

*Motion Carried Unanimously*

11. **RISE AND REPORT FROM CLOSED SESSION**

11.1 **Intermunicipal Projects Update/Strategic Planning**

Mayor B. Young made a verbal presentation and answered the Committee's questions.
12. **ADJOURNMENT**

The meeting adjourned at 6:51 pm.

_________________________

B. YOUNG, Mayor

_________________________

S. DAVIS, City Clerk
COMMITTEE-OF-THE-WHOLE

MEETING DATE: June 22, 2020

SUBMITTED BY: L. Weller, Manager, Business Services

PREPARED BY: D. Broadbent, Corporate Partnerships Coordinator

REPORT TITLE: Corporate Partnerships Update

EXECUTIVE SUMMARY

The Corporate Partnerships area with Recreation Services focuses primarily on generating revenues for the City through the development of advertising and sponsorship programs, delivery of products directly as well as through commercial and community leases and vending agreements. This area acts as a liaison with corporate partners and internal City departments in relation to lease, sponsorship and advertising management. 2019 was a very challenging and busy year as 14 of 17 LRC sponsorship and 6 of 7 LRC lease agreements as well as 3 of 6 LRC service/vending agreements were up for renewal, while bringing on board Denise Broadbent as the new Corporate Partnerships Coordinator. This information is being shared with Committee as a status update on key sponsor and lease agreements and to provide an overview of the key priorities for this area moving forward.

BACKGROUND

Despite the heavy volume of renewals, 2020 was shaping up to be a relatively successful year as significant progress was made with negotiations and updates to documentation. That changed when COVID-19 forced the closure of the LRC on March 15, 2020.

While lease revenues are expected to rebound in 2021, advertising and corporate sponsorships will experience a lag in returning to previous levels as we look to secure new sponsors for several key amenities and manage term extensions due to the LRC’s closure. Partner prospecting will resume this fall; however, we expect that securing new sponsors will be challenging in these economic conditions. Thus, the next twelve months are an opportune time to build relationships, firm up contracts, explore new revenue sources and develop a long-term Corporate Partnerships strategy.

The Leduc Recreation Centre revenue streams include:

- Seven private lease spaces
  - 100% capacity upon commencement of the Leduc Arts Foundry Society agreement, anticipated to take effect July 1, 2020
- 20 sponsored amenities
  - 8 current sponsorship agreements – annual value $85,000
  - 6 pending agreements – anticipated annual value $60,000
  - 7 available amenities – potential annual value $270,000
- 138 arena and fieldhouse advertising boards
  - 38% sold, 30% available for sale, 17% as part of sponsor benefits, 15% for city advertising and promotion
  - $1,200 per board (multi year and multi board discounts)
- Two vending contracts
  - 100% capacity with one going to RFP in 2020 and one with no predetermined expiry.
Corporate Partnership revenue streams exist in three other City of Leduc recreation facilities:
1. William F. Lede Regional Athletic Park
2. Alexandra Arena
3. Alexandra Park Outdoor Pool and Spray Park

Together, these three facilities add:
- two (2) concession lease spaces
  - operating at 100%, both contracts expire in 2020
- two (2) sponsor amenities
  - both are currently available for sponsorship
- twenty (20) arena advertising boards
  - approximately 65% sold

The Corporate Partnerships portfolio also includes collaborative oversight of 20 additional City of Leduc lease, licence of occupancy, service agreements, vending and similar contracts. Some examples include the Cultural Village Complex (Stage works facility), PepsiCo Exclusive Beverage Sales Agreement and Visual Sports Image Digital Advertising Contract. In total, there are approximately 200 revenue opportunities, which, if fully realized, could account for approximately $1M in annual revenue for the City of Leduc.

Worthy of note:
- Most lease and sponsorship agreements were established in 2009 as either a ten-year agreement or a five-year agreement followed by a five-year renewal. Thus, 82% of sponsor and 88% of lease agreements expired in 2019, creating a high volume of solicitation, negotiation and contracting activities.
- Some sponsors such as MNP, Kosmos Restaurant, and Leduc Co-Op committed to agreement renewals in 2019. Others such as Sobeys and RE/MAX are currently pending or in renewal negotiations.
- Ledcor, Mixcor, Leduc Junior Athletic Club and Beaverbrook Communities have declined to renew their sponsorship of LRC amenities.
- Recent impact of the COVID-19 pandemic and the global oil crisis will have a tremendous impact on securing new sponsor and advertising contracts.
- Sponsorships are primarily sourced from local or Alberta-based businesses and can take months to develop relations, negotiate, and finalize agreements.
- With tightened corporate budgets in the past decade, business owners are scrutinizing the Return on Investment (ROI) of sponsorship commitments and measuring ROI continues to be one of the most challenging aspects in the sponsorship industry.
- Activation is the lifeblood of sponsorship ROI. The City of Leduc has identified enhancing sponsor activation as one of its biggest priorities moving forward.
- Given the economic conditions, the financial reliability of sponsorship opportunities are uncertain.
NEXT STEPS

- Maintain healthy working relationships with current partners.
- Enhance sponsorship activation.
- Work closely with City of Leduc legal department to finalize outstanding agreements.
- Continue to prospect and solicit new sponsors and advertisers.
- Update City of Leduc Sponsorship & Advertising Policy.
- Commence development of a long-term Corporate Partnership Strategy which will include identification of additional sponsorship and advertising revenue sources for the City of Leduc.

ATTACHMENTS

Presentation – Corporate Sponsorships Update
Corporate Partnerships Update

Business Services Unit
Denise Broadbent - Corporate Partnerships Coordinator

July 6, 2020

Committee of the Whole
Corporate Partnerships Overview

• Primarily focused on LRC + Alexandra Arena, Leduc Spray Park, William F. Lede Park

• Evolving since 2009

• Corporate Partnerships is a Revenue Centre

• Revenues - Lease, Sponsorship, Advertising, Vendors

• Expenses - Fulfillment, Activation, Recognition + Leasehold Improvements
### LRC+ Sponsors

#### Confirmed

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Expiry</th>
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<tr>
<td>Fitness Studio East</td>
<td>2021</td>
</tr>
<tr>
<td>Fieldhouse</td>
<td>2024</td>
</tr>
<tr>
<td>Multipurpose Room</td>
<td>2024</td>
</tr>
<tr>
<td>Community Kitchen</td>
<td>2024</td>
</tr>
<tr>
<td>East Twin Arena</td>
<td>2024</td>
</tr>
<tr>
<td>Spray Park</td>
<td>2024</td>
</tr>
<tr>
<td>Board Room</td>
<td>2025</td>
</tr>
<tr>
<td>Fieldhouse</td>
<td>Leduc County</td>
</tr>
<tr>
<td>Running Track</td>
<td>Alberta Winter Games</td>
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#### Pending

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<th>Expiry</th>
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</thead>
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<td>BMO</td>
</tr>
<tr>
<td>Fireplace</td>
<td>AltaGas</td>
</tr>
<tr>
<td>Performance Arena</td>
<td>Sobeys</td>
</tr>
<tr>
<td>Fitness Centre</td>
<td>RE/MAX</td>
</tr>
<tr>
<td>Track Training Zones (3)</td>
<td>Apple Fitness</td>
</tr>
<tr>
<td>Multipurpose Room</td>
<td>Rotary</td>
</tr>
</tbody>
</table>

**Approximate total**

$150,000
## Sponsors

### Prospecting
- Spray Park
- LRC Event Kiosk
- West Twin Arena

### Prospecting & Challenging
- Fitness Studio West
- Playground / Childminding
- Aquatics Centre
- Alexandra Arena
- Leduc Recreation Centre

$270,000 +/-
Sponsors

CURRENT
• Focus on LRC Amenities + Alexandra Park Amenities
• Re-assess Valuation
• Activation

FUTURE
• Campaigns, Initiatives, Events
• Outdoor Recreation Amenities
• Other Amenities
LRC Leaseholders (expiry)

- Boys & Girls Club (expired 2019)
- Lifemark Physiotherapy (proposed 2022)
- Moo’ Grill & Greens – Lounge/ Restaurant (2021)
- Moo’s Healthy Food Fast Concessions (2021)
- Leduc Arts Foundry Society (2023)
- Dairy Queen / Orange Julius (2023)
- Leduc Curling Club (2024)
- Black Gold Outreach School (2034)
Advertisers

- Primarily local advertisers
- National brands from marketing agencies

CURRENT AVAILABLE OPTIONS:

- Print Arena/Field Boards
- LRC Digital (Third Party)
- City Guide (Third Party)
- Transit (City – other)
Other Partners

• Pepsico – RFP 2020
• JB’s Healthy Vending

• New Ad Media – Expiring September 2020
• Visual Sports Image - LRC Scheduling Screens Expiring December 2021
Corporate Partnerships Challenges

- Economic conditions, COVID-19, Global Oil Crisis
- Less philanthropy - More marketing
- Increasing demand for sponsorship ROI
- Increasing need for sponsorship activation
- Increasing options for business to invest in sponsorship spending
- Reduced terms – Aspenleaf, Sobeys & RE/MAX
Good News & Hope

- Municipal sponsorship growth
- New Sponsor during COVID-19
- Renewal during COVID-19
- Opportunity to properly evaluate and develop a plan for the future
COMMITTEE-OF-THE-WHOLE

MEETING DATE: June 22, 2020

SUBMITTED BY: J. Cannon, Director, Finance

PREPARED BY: G. Damo, Manager, Revenue Services

REPORT TITLE: Assessment Update

EXECUTIVE SUMMARY

There were a number of properties in the East Windrose neighbourhood that saw an assessment increase greater than ten percent. As part of the annual re-inspection the assessors noticed this area was significantly under-assessed and proactively reached out to the property owners. As a result of the dialogue, it was confirmed that a number of these property owners feel their new assessments are fair and represent the value of their property, but they feel the assessment increase was too large for one year and asked that it be phased in. However, the assessors do not have the legislated authority to phase in an assessment increase.

BACKGROUND

To provide some background it is important to understand the assessment cycle. Similar to other municipalities the city has an assessment cycle which will see 20% of city properties being thoroughly inspected annually. This annual 20% property re-inspection cycle is based on provincial legislation and is a standard practice across the province. The re-inspection process is much more detailed and involves not only market review and analytics, but also in person field visits. The intent is to have all properties in the city thoroughly inspected every 5 years. In 2019 (for the 2020 tax season) the East Windrose area was part of the recent 20% re-inspection cycle conducted by the assessors.

While re-inspecting, the assessors noticed this area was previously under-assessed and proactively reached out to the property owners personally regarding the assessment increases they would be seeing with their new assessment. As a result, the assessors confirmed that the residents felt their new assessment was fair but had concerns with seeing the significant increase. Some of the residents requested that the increase be phased in over a number of years. However, this is not within assessors’ legislative authority.

Considerations

As always, each year property owners have the opportunity to appeal their assessments. If the appeal deadline passes without a filing, and there is no error that warrants correction, owners have the opportunity to request tax relief in accordance with Section 347 of the Municipal Government Act. Council recently approved the Property Tax Relief Policy (“Policy”) which outlines the circumstances under which Council will consider granting relief. The Policy indicates as follows:

6. In addressing an applicant’s request for Tax Relief, Council may consider the following circumstances:

   a. death or critical illness occurred in the Immediate Family of the property owner; and

   b. any other extenuating circumstance, that in the opinion of Council merits compassionate Tax Relief, given the uniqueness and severity of the situation.

7. When considering a request for property tax reduction, cancellation, refund, or deferral, Council must take into consideration the following principles:
a. fairness and equity to all taxpayers;

b. sustainability of municipal revenues;

c. simplicity, transparency, and efficiency of the tax levy process; and

d. predictability and stability.

The properties seeing an assessment increase of 10% and above in East Windrose are based on current assessment and are not due to error. Further, the assessment and corresponding tax allocation in the past has been favourable for these properties in East Windrose as their properties were undervalued in previous years and has now been adjusted to align to market value. Owners have indicated their acceptance of the property assessments are fair and equitable.

To date, the City has not received formal requests from these owners for property tax relief.

ATTACHMENTS

- Property Tax Relief Policy No. 12.02:14
City of Leduc Policy
Policy Title: Property Tax Relief

Policy Objective:
To provide a framework for Council, in the exercise of its discretion under section 347(1) of the Municipal Government Act, when considering requests from property owners for property Tax Relief.

Definitions:

“Assessor” means an accredited (holding the AMAA designation) property assessor as contracted by the City of Leduc.

“Immediate Family” includes the property owner’s spouse, common law or adult interdependent partner, child or step-child, sibling or step sibling, guardian, dependent, parent or step-parent, son/daughter-in-law or sibling-in-law, grandparent, grandchild or another relative permanently residing with the property owner as a member of the family.

“Tax Relief” is the discretionary cancellation, reduction, refund, or deferral of all or a part of a property tax, or tax penalty, by Council.

Policy:
Section 347(1) of the Act permits Council the discretion to cancel or reduce tax arrears, cancel or refund all or part of a tax, or defer the collection of a tax, for a particular taxable property, or class of taxable property, if it considers it equitable to do so.

Council must exercise this discretion in an equitable and transparent manner, as any cancellation, reduction, or deferral has a financial consequence to the Cty.
Process:

Responsibilities

Administration is responsible for:

- Processing property tax accounts and reporting to Council the outstanding requests for property Tax Relief, and the particulars of each request.

The Assessor is responsible for:

- Assessing the value of all residential and non-residential properties in the City of Leduc.

Council is responsible for:

- Rendering a decision on each request for Tax Relief, as per the discretion granted to them by section 347(1) of the Act, and based on the service standards as articulated within this policy.

Standards / Expectations

General Tax Relief Principles

1. Section 305 of the Act prescribes processes for the correction of an assessment roll in a current tax year. Part 11 of the Act prescribes processes for the appeal of property assessments. This Policy outlines procedures pertaining to Tax Relief applications to be addressed outside those prescribed processes.

2. Section 203 of the Act prohibits Council from delegating the authority for provision of discretionary Tax Relief to Administration.

3. Administration retains the ability to cancel, reduce or refund all or part of a property tax, or property tax penalty, if it is determined that Administration has made a clerical error or omission in its administration of the tax account in question.

4. Property Tax Relief generally applies to all components of the property tax (municipal, education, Seniors Foundation) unless expressly articulated by Council. For example, Council may choose to provide Tax Relief for the municipal portion of taxes only.

5. All property owners seeking Tax Relief must observe the following prescribed administrative process:
a. Property owners shall first dialogue with Administration as to the nature of their request for Tax Relief;

b. If Administration is of the opinion that no clerical error or omission has occurred in the administration of the tax account, then the request for Tax Relief shall be referred to Council;

c. Property owners must complete the required standardized "Request for Property Tax Relief" application form; and

d. The tax penalty or property tax in question, should be paid by the property owner before the due date to avoid further penalties being incurred.

6. In addressing an applicant’s request for Tax Relief, Council may consider the following circumstances:

   a. death or critical illness occurred in the Immediate Family of the property owner; and

   b. any other extenuating circumstance, that in the opinion of Council merits compassionate Tax Relief, given the uniqueness and severity of the situation.

7. When considering a request for property tax reduction, cancellation, refund, or deferral, Council must take into consideration the following principles:

   a. fairness and equity to all taxpayers;

   b. sustainability of municipal revenues;

   c. simplicity, transparency, and efficiency of the tax levy process; and

   d. predictability and stability.

8. Typically, though subject to Council discretion, Tax Relief is available only for current taxation year taxes or penalties.

9. Council is not bound by precedent for any prior decisions it has made relative to requests for property Tax Relief.

10. Council’s decision on a request for Tax Relief is considered final. There is no further recourse available, and the matter is considered closed.
Other Considerations

Typically, though subject to Council discretion, Tax Relief will not be granted under the following circumstances:

- alleged non-receipt of Assessment & Tax Notice;
- payment error or delay;
- damage, devaluation or destruction of property due to natural disaster or insurable risk;
- the presence of other charges, levies or other amounts added to tax roll; or
- voluntary demolition of, or alterations to, structures on the property.

Legal References

*Municipal Government Act, RSA 2000, c M-26;*

Appendices

Appendix A- Property Tax Relief Request Form
Appendix A

Property Tax Relief Request Form

Important Information:
The purpose of this form is for an assessed person, or their authorized agent, to request under section 347(1) of the Municipal Government Act (MGA), that Council consider property tax relief, in the form of a reduction, cancellation, refund, or deferral, in respect to municipal property tax levied on the property as listed in Section 2 below.

Section 1 | Information about whom is making the tax relief request

1. Is the requestor the: [ ] Property Owner or, [ ] Agent

2. Requestor Name: ____________________________  3. Requestor Phone: ____________________________

4. Requestor Address: ____________________________  5. Requestor E-mail: ____________________________

Section 2 | Property information (From your property tax notice)

6. Assessment Roll Number: ____________________________

7. Property Address: ____________________________ Leduc, AB

Section 3 | Type of property tax relief being requested (Please check ONE of the below boxes)

[ ] Property Tax Cancellation  [ ] Property Tax Refund  [ ] Property Tax Reduction

[ ] Tax Penalty Cancellation  [ ] Property Tax Deferral

Section 4 | $ Amount of property tax relief being requested (Enter dollar amount)

$ ____________________________

Section 5 | Reason(s) for Property Tax Relief Request (Please articulate the reasons and/or circumstances for your request)

(Please attach additional information to this form if you require more space)

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Page 5 of 6
Appendix A (Continued)

Section E  Acknowledgement & Certification

By signing below, I acknowledge and certify that:

i. I understand that for the purposes of MGA section 347(1), this request for property tax relief is valid only for the properties identified in Section B of this form, and that this request applies only to tax levies and/or tax penalties levied in respect of the current Taxation Year.

ii. I understand that for the purposes of MGA section 347(1), that the decision of Council on the matter of property tax relief is final, and there is no further recourse available on this matter.

Signature of Property Owner(s) or Authorized Agent

Date: ____________________________

Section F  Form Submission Information

Please remit this completed form to:

TAXATION DEPARTMENT
#1 Alexandra Park
Leduc, AB T9E 4C4
Phone: 780.980.7105
Fax: 780.980-7127
Email: propertytaxes@leduc.ca

You will be contacted at a later date with details of when Council will hear and decide upon your request.

FOR OFFICE USE ONLY

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<th>Received By:</th>
<th>Property Tax Verification:</th>
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