



**Council - Special Meeting  
Agenda**

Thursday, May 23, 2019

4:00 p.m.

Council Chambers

**Pages**

1. CALL TO ORDER
2. ADOPTION OF AGENDA
3. DISCLOSURE OF INTEREST
4. OLD BUSINESS
  - 4.1 Bylaw No. 647-AN-19 - Tax Rate Bylaw 2 - 18
5. NEW BUSINESS
  - 5.1 Cold Lake Fighter Jets Football Club - Draft Memorandum of Understanding 19 - 27
6. ADJOURNMENT



## STAFF REPORT

**Title:** Bylaw No. 647-AN-19 - Tax Rate Bylaw

**Meeting Date:** May 23, 2019

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### **Executive Summary:**

Annually a tax rate bylaw must be passed in order to generate the taxation revenue required to meet the 2019 approved operating budget of \$52,160,253, which includes a transfer to capital of \$9,245,000. The City must generate \$21,110,619 (2018: \$20,482,643) from municipal taxation to balance the 2019 budget. This amount is inclusive of the estimated \$16,028,000 from the Cold Lake Air Weapons Range and the allowance of \$1.2M for the PILT dispute.

Assessment notices were mailed on March 6, 2019, and as per regulation the tax payers have 67 days to appeal their assessments. The appeal deadline for 2019 is May 13, 2019.

Administration presented several options that were discussed by Council at the May 21, 2019 Corporate Priorities meeting. The Committee recommended to Council to hold the line on taxes in 2019 due to hard economic times in the area by transferring \$555,381 from 2018 accumulated surplus to balance the 2019 budget. Scenario 2 provides an average increase to taxes for all classes at 0% this is however dependent on the percentage change in your assessment. If your property decreased approximately 6.6% in your municipal taxes will remain virtually the same. If your property assessment decreased more than 6.6% you will see a decrease and if your assessment decreased less than 6.6% you will see a slight increase in municipal taxes.

All annexed properties will be taxed at the rate set by the MD of Bonnyville or the City of Cold Lake, whichever is lower, as per the Order in Council 356/2018 approved by the Lieutenant Governor.

Upon approval of the tax rate bylaw the tax notices will be mailed with a due date for all taxes of June 30, 2019 as per Bylaw.



**Background:**

Council gave first reading to the tax rate bylaw at March 14<sup>th</sup> Council meeting with the tax rates to be as follows: Residential Tax rate 8.2505, Multi-Family Residential rate 8.6490, and Non-residential rate of 12.6079. These rates establish an average municipal tax increase of 2.70% to generating sufficient taxation revenue as budgeted in the 2019 budget. These rates are Municipal tax rates only and do not include the School Board or Lakeland Housing Foundation Requisitions. Inclusion of the requisition will generate an approximate 0.55% increase.

Council passed the 2019 Operational Budget on December 11, 2018 in the amount of \$52,160,253 with \$21,110,619 to be generated from taxation revenue. The budget was passed with an estimated average tax increase of 3.07%. However, after actual assessments were filed, the bylaw presented shows an average increase of 2.70% to all assessment classes.

At May 21, 2019 Corporate Priorities the Committee recommended to decrease the amount generated from taxation from \$21,110,619 to \$20,555,238 by transferring \$555,381 from the 2018 accumulated surplus.

Taxes are dependent on the assessed value of a property in relation to other properties in the City. The tax rate is set per \$1000 of assessment. All assessments are based on market values as at July 2018 and condition as of Dec 31, 2018. Most assessments decreased due to inflation. If your property decreased approximately 6.6% in your municipal taxes will remain virtually the same. If your property assessment decreased more than 6.6% you will see a decrease and if your assessment decreased less than 6.6% you will see a slight increase in municipal taxes. On average the proposed tax rate equates to a 0% increase municipal in municipal taxation.

Administration is also providing other options if Council wishes to consider them.

Option 1: same rate as last year which will equate to a deficit of 1.4M. Options 2 and 3 are both calculated with an average of no increase to Municipal taxes with the difference of option 3 making multi-family the same as the residential rate. Both these options would require a transfer of approximately \$560,000 from accumulated surplus to balance the 2019 Operational Budget. Option 4 and 5 both will generate the funds from taxation to balance the 2019 Operational budget. Option 4 presents Residential and Multifamily rates the same while option 5 will give an equal increase of Municipal taxes to all classes. Option 6 was added for the Corporate Priorities meeting which presents an approximate 1.35% increase to all classes.

The City appealed the 2013 to 2018 Payment in lieu of taxes (PILT) to the Dispute Advisory Board (DAP) stemming from a discrepancy between the City's Assessor's assessment and the Federal Assessors assessment of the 4 Wing property. The 2019



budget includes a PILT allowance of \$1.2M. The City will again apply for deferral of the portion of the school board requisition relating to PILT in 2019.

The City's total assessment decreased by \$96.8M when compared to prior year. Total growth was \$600,000 and the inflationary decrease was \$97.4M. The City's assessment increased just over \$7M from the annexation of lands which will generate \$31,500 in taxation revenue. The City however sustained a huge decrease in assessments due to the demolition of properties on 4 Wing (Martineau area).

Under the Order in Council regarding the Annexation the City of Cold Lake must tax the annexed land at the same tax rate as the MD or the tax rate of the City of Cold Lake whichever is lower up to and including 2069 unless the criteria is met as per the Annexation agreement. The 2018 MD tax rates are 2.7663 Residential, 5.0000 Farmland and 15.0000 for Non-Residential. The non-residential rate for the annexed properties will be at the City approved rate as per the Order of Council from the Lieutenant Governor.

Administration has provided for informational purposes on the attached spreadsheet a projected average increase of 2.7% to municipal taxes. Due to the timing of the 2019 provincial election the education tax requisition has not been released. Municipalities have been forced to estimate the requisition and the tax rates. The City has estimated the requisition based on 2018 equalized assessment utilizing 2018 school rates to generate the City school tax rate. The City estimates the 2019 School requisition to be \$6,829,815 and have set the tax rates accordingly. If the requisition is received prior May 23, 2019 the 2019 tax rate bylaw will be amended prior to 3<sup>rd</sup> and final reading. Administration does not anticipate it the requisition being received prior to the approval of the tax rate bylaw and will allocate any difference as an over or under levy in 2020.

The Lakeland Seniors Foundation's requisition is \$200,340.41. (2017: \$201,915.20) which requires a tax rate of 0.0893 to generate the funds required. A tax rate of 0.0786 will be utilized to generate \$1,954.05 for the Designated Industrial Property Requisition. The City has no control over these requisitions; they are collected by the City and forwarded in full to the respective party.

**Alternatives:**

Council may consider the following options:

1. Council may amend the operational budget by transferring \$555,381 from accumulated surplus, amend Bylaw 647-AN-19 as presented and give 2<sup>nd</sup> reading as amended and 3<sup>rd</sup> and final reading.
2. Council not approve the tax rate bylaw as presented



**Recommended Action:**

1. Council to approve a resolution to balance the operating budget of \$52,106,253 with \$555,381 coming from 2018 accumulated surplus.
2. Council approve the amendment to Bylaw 647-AN-19 the tax rate bylaw as ~~presented~~ with the Municipal Residential tax rate of 8.0331, Multi-Family Residential rate of 8.4215 Non-Residential tax rate of 12.2760, Annexed Residential 2.7663, Annexed Farmland 5.0000, and Annexed Non-Residential 12.2760. Education tax rates of 2.7774 residential, and 3.7879 non-residential, a tax rate of .0893 for the Lakeland Lodge and Housing requisition and a tax rate of 0.0786 for the Designated Industrial Property requisition.
3. Council give 2<sup>nd</sup> reading to Bylaw 647-AN-19 as amended being the 2019 Tax Rate Bylaw with the Municipal Residential tax rate of 8.0331, Multi-Family Residential rate of 8.4215 Non-Residential tax rate of 12.2760, Annexed Residential 2.7663, Annexed Farmland 5.0000, and Annexed Non-Residential 12.2760. Education tax rates of 2.7774 residential, and 3.7879 non-residential, a tax rate of .0893 for the Lakeland Lodge and Housing requisition and a tax rate of 0.0786 for the Designated Industrial Property requisition.
4. Council give 3<sup>rd</sup> and final reading to Bylaw 647-AN-19 the 2019 Tax Rate Bylaw with the Municipal Residential tax rate of 8.0331, Multi-Family Residential rate of 8.4215 Non-Residential tax rate of 12.2760, Annexed Residential 2.7663, Annexed Farmland 5.0000, and Annexed Non-Residential 12.2760. Education tax rates of 2.7774 residential, and 3.7879 non-residential, a tax rate of .0893 for the Lakeland Lodge and Housing requisition and a tax rate of 0.0786 for the Designated Industrial Property requisition.

**Budget Implications (Yes or No):**

Yes

**Submitted by:**

Kevin Nagoya, Chief Administrative Officer

CITY OF COLD LAKE  
BYLAW # 647-AN-19

A BYLAW OF THE CITY OF COLD LAKE, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE RATES OF TAXATION TO BE LEVIED AGAINST ASSESSABLE PROPERTY FOR THE 2019 TAXATION YEAR

**WHEREAS** the City of Cold Lake has prepared and adopted detailed estimates of the municipal revenue and expenditures as required, at the Council meeting held on December 11, 2018 and ;

**WHEREAS** the estimated municipal expenditures and transfers set out in the budget for the City of Cold Lake for 2019 total \$52,160,253.00 and;

**WHEREAS** the estimated revenues and transfers from all sources other than taxation is estimated at \$31,605,015.00 and the balance of \$20,555,238.00 is to be raised by general municipal taxation, and;

**WHEREAS** the requisitions including any under or over levy are:

Alberta School Foundation Fund (ASFF)	
Residential/Farmland	4,008,882.93
Non-residential	1,972,100.04
Opted Out School Boards	
Residential/Farmland	568,905.07
Non-residential	279,926.96
ASFF Requisition Allowance	
Senior Foundation	200,340.41
Designated Industrial Properties	1,954.05 and;

**WHEREAS** the Council of the City of Cold Lake is required each year to levy on the assessed value of all property tax rates sufficient to meet the estimated expenditures and the requisitions, and;

**WHEREAS** the Council is authorized to classify assessed property and to establish different rates of taxation in respect to each class of property, subject to the Municipal Government Act, Chapter M-26, Revised Statutes of Alberta, 2000, and Order of Council 356/2018 for Annexed Land and,

**WHEREAS** the assessed value of all taxable and GIL property in the City of Cold Lake as shown on the assessment roll is:

	<u>Assessment</u>
Residential	1,571,093,110
Multi Family Residential	71,085,500
Non-residential	594,416,310
Farmland	166,300
Machinery and Equipment	509,690
Residential - Annexed	5,854,000
Farmland - Annexed	131,340
Non-residential - Annexed	1,168,520
Seniors Housing	-
TOTAL ASSESSMENT	<u>2,244,424,770</u>

**NOW THEREFORE** under the authority of the Municipal Government Act, the Council of the City of Cold Lake, in the Province of Alberta, enacts as follows:

1. That the Chief Administrative Officer is hereby authorized to levy the following rates of taxation on the assessed value of all property as shown on the assessment roll of the City of Cold Lake:

	<b>Tax Levy</b>	<b>Assessment</b>	<b>Rate</b>
General Municipal			
Residential/Farmland	12,622,083.97	1,571,259,410	8.0331
Multi Family Residential	598,646.54	71,085,500	8.4215
Non-residential	7,297,054.62	594,416,310	12.2760
Machinery & Equipment	6,256.95	509,690	12.2760
Residential - Annexed	16,193.92	5,854,000	2.7663
Farmland - Annexed	656.70	131,340	5.0000
Non-residential - Annexed	14,344.75	1,168,520	12.2760
<b>TOTAL MUNICIPAL</b>	<b><u>20,555,237.45</u></b>	<b><u>2,244,424,770</u></b>	
ASFF			
Residential/Farmland	3,646,800.22	1,313,026,652	2.7774
Non-residential	848,167.08	223,914,856	3.7879
<b>TOTAL ASFF</b>	<b><u>4,494,967.31</u></b>	<b><u>1,536,941,508</u></b>	
Opted Out School Boards			
Residential/Farmland	931,047.24	335,222,598	2.7774
Non-residential	1,403,882.76	370,622,974	3.7879
<b>TOTAL OPTED OUT SCHOOL BOARDS</b>	<b><u>2,334,930.01</u></b>	<b><u>705,845,572</u></b>	
<b>Senior Foundation</b>	<b>200,326.40</b>	<b>2,243,296,770</b>	0.0893

**Designated Industrial Property**

**1,954.05**

**24,860,690.00**

0.0786

2. That this Bylaw shall take effect on the date of the third and final reading

**FIRST READING** passed in open Council duly assembled in the City of Cold Lake, in the Province of Alberta, this 14th day of May, A.D. 2019, on motion by Councillor Lay

**CARRIED  
UNANIMOUSLY**

**SECOND READING** passed in open Council duly assembled in the City of Cold Lake, in the Province of Alberta, this 23rd day of May, A.D. 2019, on motion by \_\_\_\_\_.

**CARRIED  
UNANIMOUSLY**

**THIRD AND FINAL READING** passed in open Council duly assembled in the City of Cold Lake, in the Province of Alberta, this 23rd day of May, A.D. 2019, on motion by \_\_\_\_\_.

**CARRIED  
UNANIMOUSLY**

**CITY OF COLD LAKE**

\_\_\_\_\_  
**MAYOR**

\_\_\_\_\_  
**CHIEF ADMINISTRATIVE OFFICER**



2019 APPROVED OPERATING BUDGET	2019 Revenue	2019 Expenses	Funded from Taxes
<b>CORPORATE SERVICES</b>			
Municipal Levy ( ID 349 - \$16m, City \$21m)	36,583,238	-	36,583,238
General Administration	2,646,647	2,002,482	644,165
Human Resources		872,900	872,900
Information Systems		1,620,450	1,620,450
Finance	74,500	941,260	866,760
Legislative	500	413,760	413,260
Corporate Communications		569,000	569,000
Contingency		300,000	300,000
Allowances & Reserves		1,200,000	1,200,000
Transfer to Capital		9,245,000	9,245,000
<b>INFRASTRUCTURE SERVICES</b>			
Public Works	10,350	6,588,531	6,578,181
Airport	118,350	210,700	92,350
Storm Sewers	-	345,786	345,786
Water Supply and Distribution	3,395,500	2,902,193	493,307
Waste Water Collection	2,067,000	2,494,740	427,740
Solid Waste Management	1,918,000	1,898,660	19,340
Recycling	715,586	714,298	1,288
Public Transportation	20,000	914,600	894,600
<b>COMMUNITY SERVICES</b>			
Police Services	818,500	2,948,289	2,129,789
Fire Services	241,870	1,466,363	1,224,493
Disaster Services	60,000	75,050	15,050
Animal Control/Bylaw Enforcement	166,700	987,280	820,580
FCSS	616,718	1,251,845	635,127
Seniors	6,000	69,000	63,000
Cemetary	5,000	36,680	31,680
Special Transportation	8,500	143,500	135,000
Recreation Programs and Grants	530,000	1,602,867	1,072,867
Arenas	462,200	2,980,100	2,517,900
Energy Centre	537,000	2,745,353	2,208,353
Parks, Sportsfields and Open Spaces	28,500	1,524,647	1,496,147
Cold Lake Marina	238,921	457,200	218,279
Golf & Winter Club	460,700	953,630	492,930
Library	-	518,309	518,309
Museum	-	154,502	154,502
Land, Housing and Building Rentals	61,429	14,530	46,899
Daycare Playschool	18,145	30,600	12,455
<b>PLANNING &amp; DEVELOPMENT</b>			
Planning	304,000	778,850	474,850
Economic Development	46,400	187,300	140,900
<b>Totals</b>	<b>52,160,253</b>	<b>52,160,253</b>	



Proposed 0% Tax Rate Comparison

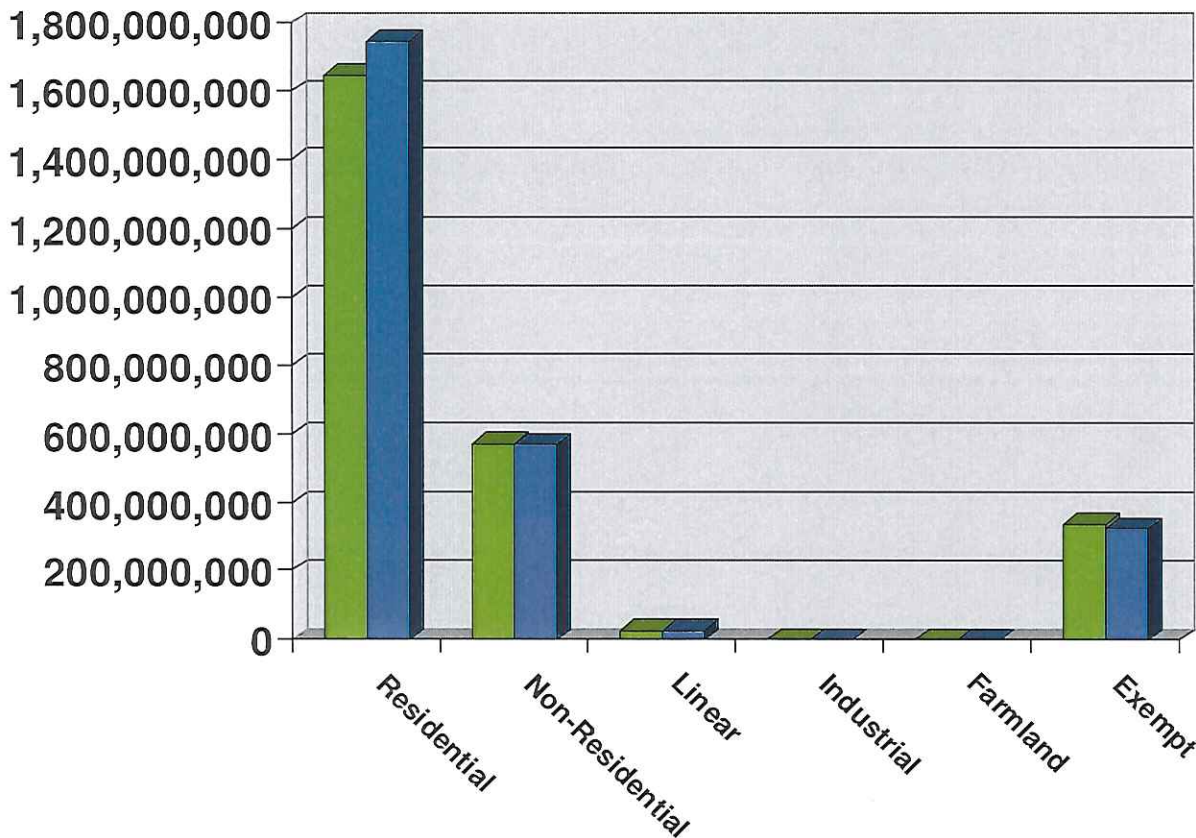
Assessment			Municipal			Education			Seniors			Total		
			7.5062	8.0331		2.7074	2.7774		0.0864	0.0893				
2018	2019	Difference	2018	2019	Difference	2018	2019	Difference	2018	2019	Difference	2018	2019	Difference
414,400	400,100	-3.5%	3,111	3,214	3.33%	1,122	1,111	-0.95%	36	36	-0.21%	4,268	4,361	2.17%
323,800	311,500	-3.8%	2,431	2,502	2.95%	877	865	-1.31%	28	28	-0.57%	3,335	3,395	1.80%
774,200	738,600	-4.6%	5,811	5,933	2.10%	2,096	2,051	-2.13%	67	66	-1.40%	7,974	8,051	0.96%
775,000	737,100	-4.9%	5,817	5,921	1.79%	2,098	2,047	-2.43%	67	66	-1.70%	7,983	8,034	0.65%
339,600	321,600	-5.3%	2,549	2,583	1.35%	919	893	-2.85%	29	29	-2.12%	3,498	3,505	0.21%
302,350	282,516	-6.6%	2,269	2,269	0.00%	819	785	-4.14%	26	25	-3.42%	3,114	3,079	-1.12%
320,500	299,300	-6.6%	2,406	2,404	-0.06%	868	831	-4.20%	28	27	-3.48%	3,301	3,262	-1.18%
321,100	298,800	-6.9%	2,410	2,400	-0.41%	869	830	-4.54%	28	27	-3.82%	3,307	3,257	-1.53%
338,100	313,400	-7.3%	2,538	2,518	-0.80%	915	870	-4.91%	29	28	-4.19%	3,482	3,416	-1.91%
306,500	283,500	-7.5%	2,301	2,277	-1.01%	830	787	-5.11%	26	25	-4.40%	3,157	3,090	-2.12%
227,600	209,900	-7.8%	1,708	1,686	-1.30%	616	583	-5.39%	20	19	-4.68%	2,344	2,288	-2.41%
215,000	196,700	-8.5%	1,614	1,580	-2.09%	582	546	-6.15%	19	18	-5.44%	2,215	2,144	-3.18%

## 2019 TAX RATE SCENARIOS

[illegible]

	2018 Land	Impr	Total	2017 Land	Impr	Total	Difference	
							\$	%
Residential	443,665,720	1,204,478,090	1,648,143,810	489,281,650	1,259,145,170	1,748,426,820	-100,283,010	94%
Non-Residential	123,447,080	447,786,750	571,233,830	134,901,840	433,882,630	568,784,470	2,449,360	100%
Linear	0	24,024,210	24,024,210	0	23,444,240	23,444,240	579,970	102%
Industrial	47,700	788,780	836,480	47,700	523,460	571,160	265,320	146%
Farmland	297,640	0	297,640	166,500	0	166,500	131,140	179%
Exempt	72,177,700	265,657,740	337,835,440	71,282,310	251,634,830	322,917,140	14,918,300	105%
Taxable Total	567,458,140	1,677,077,830	<u>2,244,535,970</u>	624,397,690	1,716,995,500	<u>2,341,393,190</u>	-96,857,220	96%
Grand Total	639,635,840	1,942,735,570	<u>2,582,371,410</u>	695,680,000	1,968,630,330	<u>2,664,310,330</u>	-81,938,920	97%

## Assessment Class Totals





## Welcome to MERO

Welcome to MERO (Municipal Education Requisition Online).

Due to the timing of the 2019 provincial election, neither the 2019 provincial budget, nor the 2019 education property tax requisition have been released. This notice is intended to provide clarity regarding the 2019 education property tax requisition and options available to municipalities to prepare 2019 tax bylaws.

No information is available on the timing or content of Budget 2019, including the amount of funding required to support the Kindergarten to Grade 12 education system. In light of this, municipalities may choose to estimate a 2019 education property tax requisition, or may wish to delay setting a property tax bylaw until further information is available.

Municipalities may estimate a local education property tax rate by:

- using the 2019 equalized assessment data and the 2018 uniform education tax rates; or
- using their 2018 Education Property Tax requisition; or
- using any other method that can be explained to taxpayers.

Once a 2019 provincial budget has been released, if the education property tax requisition is different from what municipalities have collected based on their own estimate, there are options to resolve the collection of too much or too little revenue:

- If there is an increase in the requisition, municipalities will need to use municipal funds or reserves to cover the difference, and can recoup the difference in their 2020 local education property tax rate calculation.
- If the final Budget 2019 reduces their estimated requisition, municipalities can account for the difference in their 2020 local education tax rate calculation.

In accordance with the *School Act*, municipalities will continue to make quarterly payments to the Alberta School Foundation Fund (ASFF) based on 2018 amounts. Payments to ASFF and opted out school boards should be made according to the quarterly invoices.

Once Budget 2019 has been announced and the 2019 uniform education property tax rates have been approved by an Order in Council, subsequent payments will be adjusted to account for any changes that may have occurred.

For further information regarding this matter, please contact an Education Property Tax and Equalized Assessment advisor at (780) 422-7125 or by email at [taxprogramdelivery@gov.ab.ca](mailto:taxprogramdelivery@gov.ab.ca).

RECEIVED  
JAN 15 2019  
CITY OF COLD LAKE



Box 7143 Bonnyville, AB T9N 2H5  
Telephone: (780) 826-6202  
Fax: (780) 826-5085

January 10, 2019

City of Cold Lake  
5513-48 Street  
Cold Lake, Alberta  
T9M 1A1

**RE: 2019 REQUISITION NOTICE**

This letter is to inform you that Lakeland Lodge and Housing Foundation Board of Directors approved a three-year \$800,000.00 thousand-dollar requisition amount on September 19, 2016. The years included in this three-year period are 2017, 2018 and 2019.

Your 2019 quarterly payments are based on the 2019 equalized assessment report attached and a breakdown of total amount is included in this correspondence. Your quarterly payments are due on the 15<sup>th</sup> of March, June, September and December.

If you have any questions or concerns, please call Connie Surgeson at (780)826-6202 or email at [lakeland@telusplanet.net](mailto:lakeland@telusplanet.net).

Sincerely yours,

A handwritten signature in blue ink that reads "Connie Surgeson".

Connie Surgeson  
Chief Administrative Officer

Lakeland Lodge and Housing Foundation  
2019 Requisition

\$ 800,000.00	Equalized Assessment	Percent	Annual Requisition
City of Cold Lake	\$ 2,387,088,904.00	25.033%	\$ 200,262.92
Town of Bonnyville	\$ 1,040,930,775.00	10.916%	\$ 87,328.06
M.D of Bonnyville	\$ 5,965,144,221.00	62.555%	\$ 500,441.01
Village of Glendon	\$ 46,799,883.00	0.491%	\$ 3,926.24
S.V Pelican Narrows	\$ 63,703,062.00	0.668%	\$ 5,344.32
S.V Bonnyville Beach	\$ 32,153,212.00	0.337%	\$ 2,697.47
Total	\$ 9,535,820,057.00	100%	\$ 800,000.00



*Provincial 2019 Equalized Assessment Report*

Municipality Type	Municipality	Residential	Farmland	Non Residential (Non regulated)	NR Linear Property	NR Railway	NR Co-generating M&E	Machinery and Equipment	Grand Total
City	AIRDRIE	9,361,868,172	41,793,660	1,643,599,122	72,247,210	1,830,800	0	7,048,000	11,128,386,964
	BROOKS	1,060,582,919	190,900	311,453,116	25,247,660	0	0	2,004,800	1,399,479,395
	CALGARY	215,586,873,848	8,741,625	64,159,226,848	2,666,080,460	269,369,195	0	354,854,928	283,045,146,904
	CANROSE	2,143,096,670	1,064,120	602,617,201	25,685,540	0	0	62,512,400	2,834,975,931
	CHESTERMERE	3,477,050,898	1,142,100	152,460,171	20,004,850	0	0	278,410	3,650,936,429
	COLD LAKE	1,787,673,844	166,500	575,499,240	23,444,240	0	0	305,080	2,387,088,904
	EDMONTON	129,022,194,213	20,307,019	40,694,074,934	1,815,396,460	12,833,895	0	845,590,634	172,410,397,155
	FORT SASKATCHEWAN	3,571,157,630	904,300	1,197,868,710	100,186,290	184,510	0	1,512,684,080	6,382,985,520
	GRANDE PRAIRIE	6,715,694,147	3,194,510	2,945,762,482	124,071,140	636,910	0	45,374,750	9,834,733,939
	LACOMBE	1,548,183,750	645,720	301,241,757	15,641,700	408,130	0	2,530,970	1,868,652,027
	LEDUC	4,001,737,997	1,067,600	2,024,729,897	53,504,960	1,093,810	0	4,344,120	6,086,478,384
	LETHBRIDGE	10,432,544,116	2,281,220	2,460,872,029	230,263,490	1,425,000	0	186,204,000	13,313,589,855
	LLOYDMINSTER	2,263,151,199	100,420	900,684,602	46,169,120	150,300	0	124,516,400	3,334,772,041
	MEDICINE HAT	6,828,078,415	1,419,206	1,481,757,056	245,104,040	3,293,300	11,537,300	345,745,220	8,916,934,537
	RED DEER	11,937,517,352	1,759,000	3,735,605,331	147,472,130	999,320	0	36,928,670	15,860,281,803
	SPRUCE GROVE	4,847,128,600	333,200	1,007,846,066	36,672,210	0	0	13,213,500	5,905,193,576
	ST. ALBERT	10,601,555,600	534,700	1,654,632,105	75,708,740	184,100	0	30,093,900	12,362,709,145
	WETASKIWIN	1,065,531,158	1,225,650	311,930,747	19,935,890	0	0	20,964,580	1,419,588,025
		426,251,620,528	86,871,450	126,161,861,414	5,742,836,130	292,409,270	11,537,300	3,595,194,442	562,142,330,534
Specialized Municipality	CROWSNEST PASS, Municipality of	819,337,112	574,740	86,313,031	51,130,800	0	0	4,245,910	961,598,593
	JASPER, Municipality of	867,536,445	0	544,466,750	44,054,890	11,129,600	0	2,545,000	1,469,732,685
	LAC LA BICHE COUNTY	1,217,435,056	21,981,410	505,897,833	1,255,032,770	2,974,330	0	1,655,194,820	4,658,516,219
	MACKENZIE COUNTY	878,882,236	44,584,980	301,430,686	801,637,440	3,671,130	0	351,971,880	2,382,178,352

March 15, 2019

Mr. Kevin Nagoya  
Chief Administrative Officer  
City of Cold Lake  
5513-48 Avenue  
Cold Lake, Alberta T9M 1A1

Email: [knagoya@coldlake.com](mailto:knagoya@coldlake.com)

**Subject: 2019 Tax Year Designated Industrial (DI) Property Tax Requisition**

A major component of the recent legislated change within the *Municipal Government Act* has the cost of centralization of DI Property assessments recovered through a requisition paid by the DI property assessed persons.

The mechanism used to collect this requisition is an additional tax rate on the municipal tax notice for DI property owners within each municipality. The 2019 provincial uniform tax rate for all DI property assessment was set at **\$0.0786** per \$1000 of DI property assessment as per Ministerial Order No.010/19.

If the total requisition payable by a municipality is less than \$50.00, the DI tax rate must still be applied to DI property owner's tax bills, but there will be no requirement to remit it to the province.

The details of the requisition amount and any balance forward from the 2018 requisition for your municipality is included in the attached notice.

If you have any questions about the requisition, please contact Ken Anderson, Manager, Finance and Administration at (780) 427-8962 or email at [ken.anderson@gov.ab.ca](mailto:ken.anderson@gov.ab.ca).

Sincerely,



Steve White  
Provincial Assessor

Attachments



## Notice

### 2019 Tax Year Designated Industrial Property Tax Requisition

**Payable to:** Government of Alberta

**Please remit to:**

Provincial Assessor's Office  
Municipal Affairs  
Assessment Services Branch  
15th floor, Commerce Place  
10155 - 102 Street  
Edmonton, Alberta T5J 4L4

Page: 1 of 1  
Notice #: 0525-2019  
Notice Date: March 15, 2019  
Muni Code: 0525  
Total Amount Due: \$ 1,954.05

**Notice to:**

Mr. Kevin Nagoya  
Chief Administrative Officer  
City of Cold Lake  
5513-48 Avenue  
Cold Lake, Alberta T9M 1A1

**Due Date:** Due and payable 30 days after your Municipal Tax due date.

City of Cold Lake - 2019 Tax Year Designated Industrial Property Tax Requisition

Ministerial Order	2018 Designated Industrial Property Assessment	2019 Designated Industrial Property Tax Rate	2019 Requisition Amount	Balance forward from 2018	Total Amount Due
010/19	\$24,860,690	0.0786	\$ 1,954.05	\$ 0.00	\$ 1,954.05

All taxable designated industrial property (including Linear Property) is subject to the requisition. Machinery and Equipment exempt from taxation under section 364(1.1) of the Municipal Government Act is not subject to the designated industrial property requisition tax rate. DI Properties where GIPOT is paid are not subject to the requisition.

DI Assessments may change during the year and the requisition total may fluctuate. **It is imperative that the uniform rate set by the Minister is the rate applied, any variance in the requisition total will be adjusted at year end.**

Should you have questions or concerns about this invoice, please contact Ken Anderson, Manager, Finance and Administration, Assessment Services Branch, Municipal Affairs at (780) 427-8962 or email at [ken.anderson@gov.ab.ca](mailto:ken.anderson@gov.ab.ca)



ALBERTA  
MUNICIPAL AFFAIRS

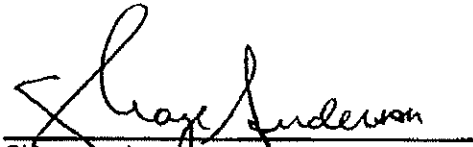
*Office of the Minister  
MLA, Leduc-Beaumont*

MINISTERIAL ORDER NO. MAG:010/19

I, Shaye Anderson, Minister of Municipal Affairs, pursuant to Section 359.3(2) of the *Municipal Government Act*, make the following order:

The property tax rate for the 2019 designated industrial property requisition shall be \$0.0786 per \$1,000 of designated industrial property assessment.

Dated at Edmonton, Alberta, this 14<sup>th</sup> day of March, 2019.

  
Shaye Anderson  
Minister of Municipal Affairs



## STAFF REPORT

**Title:** Cold Lake Fighter Jets - Draft Memorandum of Understanding

**Meeting Date:** May 23, 2019

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### **Executive Summary:**

The Cold Lake Fighter Jets Football Club (CLFJFC) will be hosting its inaugural game at the new Artificial Turf Field and Grandstand on Saturday May 25, 2019. A MOU has been drafted for the use of the Artificial Turf Field and Grandstand. In addition to this Memorandum of Understanding (MOU), terms and conditions held within this MOU shall remain in effect as well as any; Arena and Athletic Field Use and Allocation Policy, Recreation User Fee Policy, Facility Booking Discount Policy, and any other relevant policies.

It should be noted that the City only achieved occupancy on May 17, 2019 of which there is a lot to do in an effort to commission the facility.

### **Background:**

The City of Cold Lake (City) has drafted a Memorandum of Understanding (MOU) regarding particulars relating to usage of the Artificial Turf Field and Grandstand for the Cold Lake Fighter Jets Football Club (CLFJFC).

The MOU articulate particulars including:

- Section 1 - Term
  - The agreement is a one (1) year agreement with an option to extend by an additional one (1) year term.
- Section 2 - Rates
  - The rates will be consistent to the City's recreation user fee policies.
- Section 3 - Use of Facilities
  - The City shall permit the CLFJFC to use the Artificial Turf Field and Grand Stand for games and practices.



- Section 4 - Advertising
  - The agreement articulates that the club may use temporary advertising only. All advertising and sponsorship signs must be removed after the game. Language has been included to provisionally reserve the Artificial Turf Field and Grandstand for the CLFJFC home games which generally occur between May 1 to August 31 at the preferred times of Saturday from 7:00 p.m. to 10:00 p.m. (subject to terms of conditions).
- Section 5 - Liquor Sales
  - The club shall coordinate all liquor sales and licensing.

**Alternatives:**

Council may consider the following alternative:

1. Subject to Council's debate; postpone the issue to Council's June 11, 2019 regular Council meeting.
2. Council pass a motion to authorize the City of Cold Lake to enter into a Memorandum of Understanding with the Cold Lake Fighter Jets

**Recommended Action:**

Administration recommends that Council pass a motion to authorize the City of Cold Lake to enter into a Memorandum of Understanding with the Cold Lake Fighter Jets Football Club for the use of the Artificial Turf Field and Grandstand, as presented.

**Budget Implications (Yes or No):**

No

**Submitted by:**

Kevin Nagoya, Chief Administrative Officer

## MEMORANDUM OF UNDERSTANDING

BETWEEN:

**City of Cold Lake**  
(herein referred to as the "City")

OF THE FIRST PART

and

**Cold Lake Fighter Jets Football Club**  
(herein referred to as "Team")

OF THE SECOND PART

**WHEREAS** the City owns and operates an Artificial Turf Field and Grandstand located at the Energy Center 109-7825 - 51 Street, Cold Lake, Alberta also referred to as Imperial Park;

**WHEREAS** The Team operates the Cold Lake Fighter Jets Football Club in the Alberta Football League (AFL);

**WHEREAS** the Team would like to utilize the Artificial Turf Field and Grandstand and sell products within the grounds and facility of the Artificial Turf Field and Grandstand during the 2019 AFL season;

**WHEREAS** the parties wish to set out their mutual understanding of the use of the Artificial Turf Field and Grandstand;

**WHEREAS** in addition to this Memorandum of Understanding (MOU), terms and conditions held within this MOU shall remain in effect: Arena and Athletic Field Use and Allocation Policy, Recreation User Fee Policy, Facility Booking Discount Policy, and any other relevant policies.

**NOW THEREFORE** this agreement witnesseth that in consideration of the covenants, conditions and stipulations herein contained, the parties hereto covenant and agree with each other as follows:

### 1. Term:

1.1 The term of this Memorandum of Understanding shall commence on full execution and shall terminate December 31, 2019.

1.2 The Team shall be entitled to renew this Memorandum of Understanding upon the same terms and conditions, excepting only the Rental Rates stated in section 2, for a further one (1) year term commencing upon the date of the expired term, subject to mutual agreement by both parties. Should the Team wish to exercise the option to renew, the Team must deliver written notice to the City not less than sixty (60) days prior to the end of the current term.

### 2. Rental Rate:

2.1 The Team shall pay the following:

2.1.1 Artificial Turf Field and Grandstand Rental Fee (Games and Prime-Time): \$100 per hour for the Artificial Turf Field and Grandstand at Imperial Park during the 2019 spring, summer and fall season. Two hour minimum booking per booking for the Artificial Turf Field and Grandstand. The rental fee for the future seasons will be determined at a later

date following the City's annual review of fees but shall not be less than the fees stated herein.

- 2.1.2 Artificial Turf Field Only Rental Fee (Games and Practices): \$70 per hour for the Artificial Turf Field at Imperial Park during the 2019 spring, summer and fall season. Two hour minimum booking per booking for the Artificial Turf Field and Grandstand. The rental fee for the future seasons will be determined at a later date following City's annual review of fees but shall not be less than the fees stated herein.
- 2.1.3 Additional Cleaning Fees: \$125 per game. Should the City deem in its sole discretion that excessive cleaning is required during any game, the addition cleaning fee will apply. The additional cleaning fees for the 2020 and 2021 AFL season shall be determined at a later date following Council's annual review but shall not be less than the fees stated herein.
- 2.1.4 Lighting Fee (Games and Practices): upon request the sport lighting system can be activated for a fee of \$40 per hour or \$80 per game, during the 2019 spring, summer and fall season. The rental fee for the future seasons will be determined at a later date following City's annual review of fees but shall not be less than the fees stated herein.
- 2.1.5 Additional Snow Removal Fee: In the event that snow removal is required for the Artificial Turf Field and Grandstand; the costs to removal the snow will be charged at cost. The City of Cold Lake will endeavor to spread the costs to various users groups in the event of multiple bookings.
- 2.1.8 Storage Room Rental Fee: where available in the Grandstand facility deemed at the sole discretion of the City; \$10 per square foot for the term of this agreement.
- 2.1.9 Parking Lot Rental Fee: \$0 for use of one parking space to store the Team bus in the Energy Centre parking lot. Use of the parking space is at the risk of the user. The Team acknowledges that the City takes no responsibility for damage, theft, or vandalism that may occur as a result of the long term parking of the bus. The Team shall be solely responsible to insure and inspect the bus as required.

### **3. Use of City Facilities:**

- 3.1 The City shall permit the Team to use the Artificial Turf Field and Grand Stand for practices as follows:
  - 3.1.1 The City will make the field available during weekday evenings on an as available basis. This availability is subject to field maintenance activities, other scheduled programming, field user policies developed, implemented and as amended from time to time by the City, and other clients using the facility based on these policies.
  - 3.1.2 Should Team fail to provide at least two (2) weeks' notice of the cancellation of the time slot(s), it shall be responsible for full payment of the field during the allocated time, subject to exceptional circumstances payment may be waived at the sole discretion of the General Manager of Community Services.
  - 3.1.3 The Team acknowledges that designated time slots may be subject to modification or cancellation from time-to-time should the City host community special events, concerts, tradeshow or other activities at the Artificial Turf Field and Grandstand during the time slots designated above.

3.2 The City shall permit the Team to use the Artificial Turf Field and Grandstand for games as follows:

3.2.1 Notwithstanding 3.2.5, prior to April 1st each year, the City agrees to provisionally reserve the Artificial Turf Field and Grandstand for the Team's home games which generally occur between May 1 to August 31 at the preferred times of Saturday from 7:00 PM to 10:00 PM.

3.2.2 The Team agrees to collaborate and negotiate a home game schedule with any other users of the Artificial Turf Field, as required.

3.2.3 The Official Schedule for the football season shall be determined by April 1st each year. The City shall make effort to reserve the Artificial Turf Field for use by the Team in accordance with the Official Schedule, unless such game times conflict with agreements with other users of the Facility. In the case of such conflicts, the City will work with the Team and any other user groups to facilitate a modified schedule, if necessary, for a minimum number of home games.

3.2.4 Should the Team fail to provide at least two (2) weeks' notice of the cancellation of the time slot(s), it shall be responsible for full payment of the ice during the allocated time, subject to exceptional circumstances payment may be waived at the sole discretion of the General Manager of Community Services.

3.2.5 The Team acknowledges that designated time slots may be subject to modification or cancellation from time-to-time should the City host community special events, concerts, tradeshow or other activities at the Artificial Turf Field and Grandstand during the time slots designated above.

3.2.6 The City shall retain control of all City facility property during its rental times provided that the City will not unreasonably interfere with the Team's use.

3.2 The Team acknowledges that nothing in this agreement grants permission to use a City facility for any fundraising event or any other purpose unless indicated by written agreement with the City. Should The Team wish to use the Artificial Turf Field and Grandstand or Imperial Park for any purpose not specifically covered by this agreement, or any other City facility for any purpose, or wish to request any waiver of fees for the use of a City facility including but not limited to Imperial Oil Place or the Reid Field House, The Team shall make requests in accordance with City policies and procedures. Each request will be reviewed on a case-by-case basis and considered on its own merits.

3.3 The Team acknowledges that nothing in this agreement grants permission to use any fitness facility, equipment or classes offered at the Energy Center. Should the Team members, coaches, or staff wish to use the City's fitness facilities, an Energy Center membership must be purchased either individually or as a team through the group rates offered at the facility.

3.4 The Team shall at all times obey all Rules and Regulations, including but not limited to:

3.4.1 The following items or behaviors are not tolerated on the Premises: tobacco use, cannabis use, disruptive behavior or loitering, abusive, derogatory or obscene language;

3.4.2 Individuals found deliberately damaging City property or equipment may be reported to the authorities and be required to pay for repairs and be suspended from the City's facilities;

3.4.3 Obey all laws, bylaws, regulations and policies of the City;

3.4.4 Promptly report the existence of any hazardous condition to the City;

3.5 The Team is responsible for all of their invited guests and must ensure all guests and visitors conduct themselves in an orderly and reasonable manner so as not to damage the City's facilities or disturb the operational duties of the City, its employees or the public. The Team is responsible for any damages incurred.

3.6 The Team is responsible to leave the dressing room(s) in the condition it was found when commencing each event or in the condition it was in when the Team entered this agreement with the City. If in the sole opinion of the City, the dressing room has been damaged or dirtied beyond reasonable wear and tear, the damage shall be repaired or replaced by the City at the sole cost and expense of Team. Full payment for all of the City's actual costs related to the damage must be paid by Team within thirty (30) days of receipt of the City's invoice. Any damage deposit may be used to offset the cost or any damage.

#### **4. Advertising:**

4.1 The Team will be permitted to erect temporary sponsorship signs during each game. Any sponsorship and/or advertising signs will be removed after each game.

4.2 The Team must request advance approval of all advertisers and artwork from the City. The City reserves the right to in its sole discretion decline an advertiser or particular artwork if it is deemed by the City to be inappropriate or unprofessional.

4.3 The Team understands that they shall not be entitled to any funds or annual revenue generated by the City in connection with the sale of sponsorship in connection to the facility.

4.4 Trained personnel of the Team will be permitted access to the media box in the Grandstand as well as use of the scoreboard and audio equipment within, subject to the following:

4.4.1 The Team shall be responsible for all equipment during home games and properly securing the equipment along with the media box door at the end of each game;

4.4.2 No more than five (5) individuals are permitted in the media box during the Team games unless prior approval by the City is granted;

4.4.3 All individuals in the media box must be at least 15 years old;

4.4.4 No items may be stored in the media box between games;

4.4.5 All garbage within the box, programs, papers, etc. must be removed prior to leaving for the night;

4.4.6 No food or beverages are permitted in the media box.

4.5 The City may, in its sole discretion, disallow use of the media box, if the Team fails to comply with the conditions indicated in this memorandum of understanding.

#### **5. Liquor Sales:**

5.1 The Team shall host the sale of liquor at all Team home games. The Team shall supervise and manage the purchasing, handling, storing and sales of liquor and bar supplies including but not limited to:

5.1.1 The required certification(s) for all necessary staff involved in the sale, service and security of liquor, as established by the AGLC;

5.1.2 Provide proof of certifications at the request of the City or AGLC Inspector;



5.1.3 Comply with any exclusivity agreement that may be in place with a City facility;

5.1.4 Comply with all requirements of the liquor license.

5.2 The Team shall receive all revenue collected from bar and alcohol sales.

5.3 The Team shall be responsible for all expenses related to bar and alcohol operations.

5.4 The Team shall provide the City with

5.4.1 A copy of all Team worker / volunteer certification(s) involved in the sale, service and security of liquor prior to the first home game of the season, and provide updates as appropriate;

5.4.2 Written confirmation of compliance with all liquor and bar sales related regulations, if requested.

5.5 The City reserves the right to disallow the Team from operating the bar or serving alcohol if the City is not satisfied with the security measures or handling of alcohol. The City may in its sole discretion immediately shut down all alcohol sales and the bar if the City is not satisfied with the security measure or handling of alcohol.

## **6. Relationship with the Other User Groups**

6.1 The Team understand and acknowledge the importance of maintaining a good relationship between all parties utilizing Artificial Turf Field and Grandstand including the City. The Team acknowledge that their commitment to work cooperatively in relation to all matters covered by this agreement, including the scheduling of games, is of mutual benefit.

## **7. Status of Accounts Receivable**

7.1 The Team is responsible to keep its accounts receivable with the City current. No debt can be carried over between seasons.

## **8. Insurance**

8.1 The Team shall at its own expense, maintain during the Term of the Agreement comprehensive general liability insurance of not less than \$2,000,000 which names the City of Cold Lake and its officers, employees, agents and volunteers as an additional insured. The insurance must be endorsed to provide the City with thirty (30) days advance notice or cancellation or material change. An insurance certificate indicting such must be provided to the City prior to the start of each season.

## **9. Notice**

9.1 Any notice to be given by the parties hereto will be in writing and will either be delivered personally or mailed by prepaid registered mail as follows:

City of Cold Lake  
5513 48 Avenue,  
Cold Lake, Alberta T9M 1A1  
(Attention: Kevin Nagoya)

Cold Lake Fighter Jets Football Club  
4907 - 57 Avenue  
Cold Lake Alberta T9M 0J1  
(Attention: \_\_\_\_\_)

- 9.2 Notice given in any such manner will be deemed to have been received by the party on the day of delivery or upon the seventh (7th) day after the day of mailing. Any party may change its address for service from time to time upon written notice to that effect.
10. **Non-Waiver:** Failure of the parties to insist upon or to enforce strict performance of any of the terms of this Agreement shall not be construed as a waiver of their rights to assert or rely upon such terms subsequently.
11. **Assignment:** The Team may not assign this agreement without written consent of the City.
12. **Force Majeure:** Neither party shall be considered in breach of this Agreement because of delays or failure to fulfill the terms of this Agreement due to events of force majeure beyond the control of the parties, which include but are not limited to: natural disasters, weather conditions, government action or inaction, fire, flood, epidemic, quarantine restriction, or labor strikes.
13. **Default & Termination:**
- 13.1 If the City is of the opinion that the Team has undertaken or permitted any activity within the Artificial Turf Field and Grandstand which is outside of what is permitted by this Agreement, may be a nuisance or cause damage, if the Team is in default of any of the terms or conditions of this Agreement, the City may terminate this Agreement verbally or in writing and the Team must immediately vacate the Premises.
- 13.2 If the Team fails to perform any of its obligations under this Agreement, the City has the right to take such action as is reasonably necessary in the sole discretion of the City to perform such obligations. In such an event, the Team will be responsible for the payment of all costs by the City pursuant to this Agreement.
14. **Release of Liability and Indemnity**
- 14.1 The Team shall waive and released the City from any liability for damage or loss to any persons or property which occurs in connection with the premises, the building, and its grounds.
- 14.2 The Team will at all times indemnify and save harmless the City from and against any and all actions, claims, demands, suits, proceedings, damages, costs (including without restriction legal costs on a solicitor and his own client full indemnity basis) and expenses whatsoever that may be brought, made or incurred by or against the City by reason of, arising out of, or in any way related to the use of the Premises by the Team, its members, employees, administration, invitees, agents or contractors.
15. **Entire Agreement:** This Agreement contains the entire agreement and understanding between the parties and supersedes all prior representations and discussions pertaining to all matters directly or indirectly covered in this Agreement. There are no conditions, warranties, representations, understandings or agreements of any nature other than as set out in this Agreement, subject to the exception that the following continue to apply: the recreational facilities user agreements, Field Allocation Policies, Recreation User Fee Policies, and any other relevant City of Cold Lake policies. By executing this Agreement, the parties acknowledge that they have taken as much time and independent advice as thought necessary to consider matters before entering into this Agreement. This Agreement may only be amended by a subsequent written instrument signed by both parties.
16. **Acknowledgement and Acceptance of Terms:** Each of the patties agree that it fully understands the terms of this Agreement and accepts the provisions of this Agreement voluntarily, acting wholly upon its own judgement, belief and knowledge and that it has not been influenced in

entering into this Agreement by any act, statement or representation of any party to this Agreement.

IN WITNESS WHEREOF the parties herein under proper authorization, hereby duly execute this Agreement this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

CITY OF COLD LAKE

Per: \_\_\_\_\_

Print name: \_\_\_\_\_

Per: \_\_\_\_\_

Print name: \_\_\_\_\_

COLD LAKE FIGHTER JETS

Per: \_\_\_\_\_

Print name: \_\_\_\_\_

Per: \_\_\_\_\_

Print name: \_\_\_\_\_