



Calgary



PFC2020-0894

Capital Investment Application Recommendations for Municipal Stimulus Program

2020 September 8

ISC: Unrestricted

### **Capital investments are key for a great city**

- Citizen Priorities are supported through the delivery of services, reduced operating costs, and enhanced long term value of assets.
- The City of Calgary continues to deliver on its capital portfolio in support of quality of life outcomes, through the COVID-19 pandemic and prolonged economic downturn.
- Council has advocated for stimulus funding and prepared for this opportunity through approval of investment criteria

### **Municipal Stimulus Program (MSP)**

- On 2020 July 28 the Government of Alberta (GoA) announced \$500 Million additional funding for shovel-ready infrastructure investments as part of Alberta's Recovery Plan to help with the COVID-19 response
- The City of Calgary's share is \$152.8 Million

### **Administration recommendations (Attachment 2) are the proposed investments for submission to the MSP**

- Align with Council's approved criteria (2020 May 11 (C2020-0524))
- Contribute to quality of life outcomes
- Advance approved policies
- Meet provincial guidelines for the MSP





## Outcomes of Proposed Stimulus Investments

Council Policy and Quality of Life Outcomes that will result from the proposed investments:

- Increase of 882 jobs
- Addition and repair of Affordable Housing units to support vulnerable residents during this time of hardship
- Reduce operating costs of City services
- Support Calgary in the New Economy and attract investment
- Stimulate vibrancy in the Downtown through facility revitalization to attract patrons and support adjacent business and residential activity
- Rehabilitate historic buildings
- Reinvest in critical City infrastructure to support mobility, accessibility and inclusion
- Foster climate and resilience outcomes through innovation, technology, year round access to amenities and improve community drainage
- Support Civic Partner facility upgrades, recreation, park and pathway systems to support quality of life for Calgarians, attract tourism and economic vibrance





## Journey to Municipal Stimulus Program Opportunity

### Step 1: Gather shovel-worthy investments

- One Calgary unfunded
- New service needs
- Opportunities to advance plans / priorities / Council directives
- Impact of MSI reductions (20-21)

March - July

### Step 2: Obtain Council Direction

- Investment criteria presented to Council
- Based on current Capital Investment Plan, Council Directives

May 11

### Step 3: Determine Alignment

- Evaluate shovel-worthy investments against Council criteria

June / July

### Step 4: Determine Eligible Investments

- Determine which investments meet Provincial MSP eligibility criteria

August

### Step 5: Evaluate & Recommend

- Create recommendations that are in line with provincial guidance and that maximize value to citizens and communities

August

Sept 3  
ALT  
Review

Sept 8  
PFC

Today  
↑

Sept 14  
Council




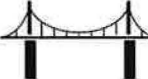


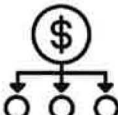


City advocacy efforts for stimulus funding

July 28:  
Provincial \$500M MSP  
Announcement  
(\$152.8M for Calgary)

Oct 1 Submission due  
~6 weeks for decisions by GoA



## Step 2: Council Approved Infrastructure Investment Criteria (May 11)

- |  |  |  |   |
|--|--|--|---|
|  | Creates jobs and stimulates the economy        |  | Enhances long-term value of assets and reduces operating cost   |
|  | Contributes to a resilient city                |  | Attracts investment and supports the growth and change strategy |
|  | Enables economic diversification               |  | Facilitates equitable services                                  |
|  | Supports the post COVID-19 service environment |  |   |

## Step 3: Determine Alignment (June - July)



- Meets criteria
- Not significantly affected by COVID-19 restrictions
- Supports Calgary in the New Economy strategy

**Alignment to Criteria + Shovel Readiness = Shovel Worthiness**



## Step 4: Determine Municipal Stimulus Program (MSP) Eligible Investments

July 28<sup>th</sup> Announcement

### Program highlights

- \$152.8M allocated to Calgary (\$500M overall program)
- Application deadline – October 1, 2020
- Maximum 5 applications per Municipality
- MSP funds must be expended by the end of 2021. Longer-term projects can continue with funding from other sources
- Projects previously submitted under the MSI and/or federal Gas Tax Fund (GTF) are not eligible for MSP funding
- A separate application is required for each capital asset, except where assets can be grouped together because they are related to the same system
- Costs related to municipal forces is not eligible
- Projects must not result in municipal tax increases
- Land, vehicle acquisition ineligible



23

of the 121 investments of those shovel-worthy are eligible under MSP guidance

12

of the 23 eligible investments are being recommended

### Key Factors

- ✓ Funding must be used by the end of 2021
- ✓ Asset must be described
- ✓ Previous submissions for MSI / GTF ineligible
- ✓ IT systems ineligible





## Step 5: Evaluation & Recommendation by Asset Class

Proposed Investment Bundles for application to the MSP



### Facility Revitalization & Renewal (\$64.1M)

- Affordable Housing Redevelopment
- Civic Partner Infrastructure Grant – Upgrade Projects
- Telus Spark Upgrades
- Glenbow Revitalization
- North West Travellers Building stabilization
- Jack Singer/Public Building rehabilitation & critical repair
- Fiber Infrastructure
- Seasonal Air-Supported Dome at Shouldice Athletic Park



### Transportation (\$35.6M)

- 52 St. BRT Phase 1 - Route 23 Upgrades
- Critical Infrastructure Renewal



### Water Infrastructure (\$30.5M)

- Community Drainage Improvements Program



### Parks & Open Spaces (\$24.6M)

- Eau Claire Public Realm Improvements
- Park Infrastructure & Urban Conservation Upgrade

\*Bundles are shown by asset class, to align with provincial MSP guidance on eligible capital project assets (Schedule 3)

**RECOMMENDATION(S):**

That the Priorities and Finance Committee (PFC) recommends that Council:

1. Approve The City's investments proposed for Municipal Stimulus Program (MSP) funding, and approve the capital budget, as identified in Attachment 1, contingent on Government of Alberta's approval of The City's applications; and
2. Direct Administration to submit the City of Calgary Municipal Stimulus Program applications to the Government of Alberta on or before 2020 October 1.