

Equitably Investing in our Future:

Three Recommendations

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Key Themes

- The proposed budget only marginally addresses the key challenges facing Calgary: that is, climate change, reliance on the automobile, completing the communities we already have, and reducing the burden borne by the most vulnerable.

The proposed budget addresses how and where the City spends, but there has been virtually no discussion of the equitable generation of revenue in Canada's most income-unequal city (Statistics Canada 2016)

Recommendation: Two Future- Proofing Reserves

○We need to efficiently consolidate reserves to deal with the key issues facing Calgary through two reserve funds:

- Climate Action Reserve
- Established Areas Infrastructure Investment Fund

Transfer unallocated funds from specific reserves and wind down those reserves (Table 1)

This does not increase the City budget, but instead makes it more manageable and effective

Table 1
Possible Transfer of Unallocated Reserve Funds
To Future-Proofing Reserves

* Calgary Police Service Capital Reserve
* Community Investment Reserve
* Downtown Improvement Fund
* Lifecycle Maintenance and Upgrade Reserve
* Reserve for Future Capital
* TELUS Convention Centre Reserve
* Community Sustainability Reserve
* Corporate Housing Reserve
* Fleet Services Reserve
* Opportunity Calgary Investment Fund
* Planning & Development Reserve
* Real Estate Services Reserve
* Utility Sustainment Reserve
* Waste and Recycling Sustainment Reserve
* Parking Revenue Reinvestment Reserve
* LED Street-Light Re-lamping Reserve
* Asphalt and Crusher Plant Reserve
* Cash in Lieu Lifecycle Sustainment (Parking Authority)

Identify and Re-allocate Unallocated Funds from Existing Reserves

Table 1

Recommendation Re-instate Select Funding Cuts

- Tap reserves, the City's "rainy day funds," to strengthen and enhance operations

Re-balance the transportation budget, delaying a portion of the Stoney Trail and 144 Ave NW projects and re-allocating funding to Mainstreets and Transit

Table 2
Possible Transfers to Operating and Capital Budgets from Reserves (\$000s)

Item	Adjustment	Rationale
Building Safety: \$42,616	Transfer from Lifecycle Maintenance and Upgrade Reserve to Climate Action Reserve and designate for bringing existing buildings to net-zero.	• Economic stimulus Operational savings Achieving climate goals
Urban Forestry: \$24	Retain for new & replacement trees	• Achieving climate goals
Parks and Open Spaces: \$272	Transfer from Reserve for Future Capital to Established Areas Infrastructure Fund and designate for habitat restoration and naturalization	• Economic stimulus Achieving climate goals
Public Transit – fare freeze: \$3,000	Supplement fare reductions for low-income transit passes	• Increased financial equity
Public Transit: \$1,679		
Recreation Opportunities – reduced sales: \$1,613	Supplement Recreation Fee Assistance program	• Increased financial equity
Recreation Opportunities: \$784		
Streets – adjustment: \$5,196	Transfer from Reserve for Future Capital to Established Areas Infrastructure Investment Fund and designate for walking and cycling infrastructure	• Economic stimulus Improved mobility Achieving climate goals
Sidewalks & Pathways: \$74		

Recommendation

Develop Progressive Property Tax

○Progressive taxation is long overdue in Canada's most income-unequal city

Assessment should be split into separate assessment of land and buildings.

Separate assessment of land and buildings, with progressive taxation, can provide incentives for densification and advance the City's sustainability objectives

Recommendation

Develop Progressive Property Tax

- Direct administration to develop more equitable and progressive property tax policy options, aligning with the objectives of the MDP, to replace current flat taxes. Options to be considered should include separate assessment of land and building property, with progressive tax brackets.