

## Previous Council Direction

### Context

Fiscal sustainability is a crucial financial policy goal. Several City policies outline requirements for municipal revenue and spending decisions to ensure that Calgarians receive vital municipal services. They include clean drinking water for the sustenance of life, a transportation network and public transit for the movement of goods and people, and emergency services like fire to protect lives and livelihoods. The policies also consider Calgary's attractiveness as cities worldwide compete for capital, talent and jobs, which are ingredients for sustained economic progress. Over the last decade, policy and one-time measures to achieve the desired competitive taxation aim include Business Tax Consolidation (2013 to 2019) and Phased Tax Programs (2017 to 2020).

In 2018, Council directed Administration set up a Financial Task Force using a collaborative model with citizen and private sector expertise for enhanced policy measures. The existing set did not adequately address the 2015 to 2019 Downtown Tax Shift. The Task Force worked from 2019 September to 2020 June to develop recommendations that bolster long-term fiscal sustainability.

### Previous Council Direction

On 2020 June 29, Council received a comprehensive update on the direction provided leading up to completing the Report and Recommendations of the Financial Task Force. The content of Attachment 1 for C2020-0742 offers the details. The focus of this Attachment is on Council direction following Council acceptance of the Task Force Recommendations.

| DATE      | REPORT NUMBER     | DIRECTION/DESCRIPTION  |
|-----------|-------------------|--|
| 7/27/2020 | <b>C2020-0815</b> | <p><b>Financial Task Force Recommendations – Implementation Approach and Resources</b></p> <p>Council adopted the following recommendations:</p> <ol style="list-style-type: none"> <li>1. Direct Administration to implement the 17 Financial Task Force recommendations that only require existing resources (expanded work programs or re-directed to prioritize the action items).</li> <li>2. Direct Administration to implement the 18 Financial Task Force recommendations identified in Attachment 4 that require new one-time resources using the 2020 investment income attributable to the Fiscal Stability Reserve as the funding source for one-time funding components.</li> <li>3. Approve up to \$4 million in one-time funding across City departments for 2020 and 2021 to be funded from the Fiscal Stability Reserve.</li> <li>4. Direct Administration includes a request for the base funding required for implementation in 2021 and beyond in the Mid-Cycle Adjustment report to Council in November 2020</li> </ol> |

7/27/2020

**C2020-0815****Financial Task Force Recommendations – Implementation Approach and Resources**

Council adopted the following Motion Arising:

1. To further assist the Chief Finance Officer with recommendation #19 (Distribute tax responsibility appropriately), as well as assisting the Business and Local Economy (BLE) team in tackling recommendation # 33 (*Investigate the crisis level vacancy in the downtown office market and respond with actions*), direct Administration to:

- a. establish an Administration-led Real Estate Working Group by bringing a mandate and direction for the Real Estate Working Group (similar to the 2019 Tax Shift Assessment Working Group) to the October 2020 meeting of the Priorities and Finance Committee of Council;
- b. the Real Estate Working Group will liaise directly with the Priorities and Finance Committee of Council through a standing agenda item, until Administration recommends that the working group be disbanded;
- c. determine composition of the Real Estate Working Group to include but not be limited to interested members of the Real Estate Sector Advisory Committee of Calgary Economic Development, as well as the now disbanded Financial Task Force with real estate experience, and/or other experts within Calgary;
- d. Direct the City Manager to assign an Administrative Chair for the Real Estate Working Group other than the Chief Financial Officer (who is presently tasked with execution of the Financial Task Force recommendations); and
- e. As part of the scope of work of the independent consultant for recommendation #19, as led by the Chief Financial Officer, ensure appropriate stakeholder engagement, including the Real Estate Working Group.” Direct Administration includes a request for the base funding required for implementation in 2021 and beyond in the Mid-Cycle Adjustment report to Council in November 2020

6/29/2020

**C2020-0742****Report and Recommendations of the Financial Task Force**

Council adopted the following recommendations:

1. Accept the reports and recommendations of the Financial Task Force in Attachments 2 and 3;
2. Direct Administration to scope the costs of implementation based on Administration’s responses and timelines in Attachment 5 and report to Council with a request for approval of resources, where appropriate by 2020 July 29;
3. Direct the City Manager to assign a lead to monitor and report back with a bi-annual schedule for reporting on the implementation of the Financial Task Force’s recommendations;
4. Receive a presentation and this report as part of the Council orientation in 2021; and
5. Thank the citizen volunteers for their professional contributions and their passion for Calgary’s success.