



2023-2026 Capital Infrastructure Investment Drivers

For Council's Approval

Intentional management of capital at The City will:

- 1. Support the delivery of City of Calgary services** Capital investments facilitate the delivery of services to residents. Services and service levels are recommended to Council through the approval of multi-year service plans and budgets. The primary criteria for identifying, prioritizing, and funding capital investments will be the need for capital to deliver services at appropriate service levels, maintaining public safety and security and the associated operating sustainment of this capital.
- 2. Help build great neighbourhoods** Align capital investments to the Municipal Development Plan (MDP) and The City's growth strategies. Targeted investment fosters distinctive places and complete communities where people want to live, work and play (MDP 2.2.4). Capital investments facilitate the creation of these distinctive places while enabling strategic growth aligned with The City's long-term planning policies. Strategic investments can be made to support established area, industrial and new community growth.
- 3. Focus on equitable outcomes** Capital investments promote the well-being of residents and communities through improved connectivity, accessibility, inclusion, other equity considerations. The range of social, economic and environmental objectives accomplished through infrastructure investments include improving equitable access to services across geographic locations and social circumstances, improving economic productivity, facilitating community cohesion, removing barriers for accessibility, improving infrastructure in places where it is needed the most (equity), minimizing the impact of climate change, enhancing public spaces, and enabling thriving interactions within communities.
- 4. Build an adaptable, resilient, and smart city** With adaptable and resilient infrastructure, The City can better manage risks and vulnerabilities to shocks and stresses and support environmental health. Resilient infrastructure is designed to ensure service delivery (meeting the needs of today while anticipating and not compromising the needs of tomorrow), adaptation (capacity to withstand disruption, both natural and man-made), community preparedness and financial strength. Infrastructure should also be designed to be resilient to the effects of climate change, and respect and help maintain ecological and biological diversity.

Smart cities utilize data innovation and technology to better inform decisions on service delivery, purpose and size of capital investments, economic development and resident empowerment and inclusion. Capital infrastructure planning and investments provide potential opportunities to explore, incubate, and potentially utilize innovative technologies, design, services, and practices.
- 5. Enhance the long-term value of City assets** Capital planning and investment at The City requires a thorough understanding of the long-term implications of service demand and asset needs, legal and regulatory provisions, technological trends, finance, and asset ownership, along with the integration of whole-of-life costing (i.e., asset acquisition, operation, maintenance and upgrades, and responsible disposal viewed through a single lens of asset stewardship). Capital planning and investment is necessary to deliver citizen facing services as well as supportive services (within The City's



control). Investment helps minimize service disruption, public safety and security risks, energy and environmental impacts and whole-life cost. Adopting industry-standard systematic asset management practices reduces legal and reputational risks to The City and improves accountability and transparency to residents and businesses.

To maximize the value of The City's previous and proposed capital investments, funding is required for the development of asset management plans addressing costs across the entire lifecycle (planning, building/acquisition, operation, maintenance, evaluation, and eventual disposal). Maintaining overall asset health is necessary to ensure The City's ability to deliver service reliably and sustainably. Resources need to be allocated to achieve balance between the maintenance and renewal of existing infrastructure and the demand for new growth infrastructure. The citywide growth strategy includes investments in new growth infrastructure to support growth and change in established areas, to attract and retain development in industrial areas, and to help continue or initiate growth in new and actively developing communities.

6. Integrate, coordinate, and optimize The City's investment

Capital investments should provide maximum value to the community. An integrated and coordinated approach to capital planning, prioritization, and funding – administered at the corporate level – refines investments, identifies efficiencies, and achieves economies of scale. Where possible, The City's capital investments should contribute to multiple services and ensure continuity during times of normal use, emergency response and recovery. Regional benefits should also be considered.

Infrastructure investments may be coordinated or focused upon an identified investment need, a specific Council priority, support a service gap in the community, and/or contribute to alignment with external (i.e., private, provincial, federal) investment for a specific time. A directional investment focus may influence the corporate-level identification, prioritization, and funding for capital investments.

Council recognizes the need to embrace appropriate levels of risk, innovation, and experimentation as opportunities to improve. Capital planning and investments create opportunities to explore and potentially make use of innovative technologies, design, services, and practices.

7. Optimize financing and funding sources

The development of a fiscally sustainable corporate approach to financing and funding will optimize The City's opportunity to provide capital investments that support service delivery. Allocating the most restricted funding sources first and switching accordingly (where permissible) to free up more flexible funding will enable The City to respond to current and emerging funding opportunities more effectively.

Focusing on long-term financial strategies, attracting private and other government investments and/or other alternative funding mechanisms (such as shared service delivery models and cost/revenue sharing mechanisms) creates the opportunity to realize greater economic, social, and environmental value. Developing partnerships with external organizations to reach common goals for Calgarians will further promote entrepreneurship and investment within the city.