

## 2014 CIVIC PARTNER ANNUAL REPORT

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### EXECUTIVE SUMMARY

The City of Calgary engages in partnerships with numerous organizations to meet specific strategic and operational goals that are of benefit to Calgarians. Shared outcomes and mutual accountability underpin these partnering relationships. The fourteen partners referred to as Civic Partners directly and indirectly touch the lives of millions of Calgarians and visitors by providing acclaimed attractions: presenting extensive educational programming in the arts, conservation, history and the sciences; bringing the history of Calgary to life; injecting funds into the local economy through tourism; offering recreational and sport opportunities for a range of abilities; gathering leaders in the economy and arts to shape the fabric of Calgary; and by providing countless opportunities to learn, gather, discover and be supported in furthering their individual and community goals. Through these key contributions, Civic Partners provide substantial return on the investment of operating and capital funding invested by The City.

The Annual Report provides an important opportunity for the SPC on Community and Protective Services to review with Civic Partners the value of these investments through a discussion of 2014 accomplishments, challenges and plans for the future.

### ADMINISTRATION RECOMMENDATION

That the SPC on Community and Protective Services recommends that Council receive this report for information.

### RECOMMENDATION OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES, DATED 2015 JUNE 09:

That the Administration Recommendation contained in Report CPS2015-0397 be approved.

### PREVIOUS COUNCIL DIRECTION / POLICY

On 2014 September 22 Council adopted CPS2014-0504, *ActionPlan 2015-2018 Civic Partner Business Plan and 2013 Annual Report*.

Attachment 1 provides a detailed listing of Previous Council Direction since 2004.

### BACKGROUND

Civic Partners are arms-length and independent from The City of Calgary. Collectively the partners deliver to the citizens of Calgary hundreds of educational, sport and recreational opportunities; extensive support for parks and pathway systems; development in the arts and technology sectors; broad-based economic strategies with targeted actions; and Canada's second busiest library system. They are accountable to numerous stakeholders, including boards of directors, clients, customers, partners, members, funders, corporations, donors, federal and provincial governments and professional associations.

Civic Partners can be grouped based on their operational focus into the following categories:

- attractions,
- arts, culture and heritage,
- economic development,

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- library services,
- parks, and
- recreation and sport.

Each of the fourteen Partners (Attachment 2) has a unique history and relationship with The City. Some began as City-delivered amenities that have evolved into independent entities; others were created by The City for strategic purposes; and others were created through provincial legislation. All Civic Partners receive operating funding; those operating and managing City-owned facilities also receive capital grants to support lifecycle maintenance of the facilities.

To support due diligence and demonstrate the effectiveness of invested funds, each Civic Partner reports to Council and Administration in several ways, including the Annual Report. The Annual Report provides an opportunity to confirm the value of the investment made by Council on behalf of Calgarians. Each organization has submitted information in response to the form provided by Administration regarding governance, 2014 results, priorities for 2015-16 and capital reporting, if applicable (Attachments 3 to 16). It is an open and transparent accountability mechanism. Through this process Civic Partners speak to their organization's performance and how they measure that performance.

Investment in Civic Partners is a highly effective and efficient means to achieve shared goals. Partnering with these organizations enables The City to:

- strengthen economic development by harnessing the expertise and *building on the energy* of Calgarians;
- enhance the cultural vitality of the city through arts development to create an attractive city to move to, work in and live;
- attract visitors from around the world through conventions, attractions and major events;
- broaden its reach into numerous communities, including emerging and vulnerable communities, to build skills, knowledge and connections;
- provide Calgarians of all ages with a wide range of opportunities as participants, contributors and audiences; and
- leverage operating and capital grant funding.

Civic Partners leverage City funding investments through private, corporate and other government funding as well as earned revenue streams. Calgarians demonstrate their personal investment and contribute their expertise through membership, volunteerism and participation on boards and committees. Each Civic Partner uses various means and measures, relevant to the nature of their business and stakeholders, to gauge success, assess risk and plan for the future.

A number of Civic Partner organizations steward City-owned land, assets, facilities and artefacts, as well as their own assets. For those Civic Partners, the maintenance of assets and ensuring they meet current and future service needs is a critical consideration. Civic Partners develop master plans, engage in sound asset-management practices and leverage capital

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support through donors, earned revenue and other levels of government to ensure well-maintained facilities that are highly valued by Calgarians and visitors alike.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The year 2014 was very active for many Civic Partners. As outlined in Attachments 3 to 16, Civic Partners report that their goals related to programs, services and exhibit development, facility maintenance, revenue and attendance targets, reduced environmental footprint, and strategic planning were met in 2014.

A number of Civic Partners invested additional time and resources into new systems to measure their performance and gauge their impact, looking to both demonstrate the value of funders' investments and improve their service offerings. Civic Partners were identified as leading four Council strategic directions and work is being undertaken between multiple stakeholders to report on progress in these areas. As well, for the first time, all Civic Partners are contributing to The City's 10 Year Economic Strategy.

Some Civic Partners were continuing to recover from the 2013 flood and were active in putting disaster recovery and response programs in place, working on flood mitigation planning and developing business continuity strategies while continuing to seek resources for flood mitigation projects.

Following are some highlights from 2014 activities of Civic Partners:

### **Economic Development**

The Economic Strategy for Calgary: Building on our Energy was adopted by Council in 2014 November (PFC2014-0809). Through the development of the Economic Strategy, Calgary Economic Development, with input and support from over 400 community leaders including all Civic Partners, created a wholistic, community-wide economic development strategy that includes conventional and community economic development goals.

The Economic Strategy addresses the importance of sustainable economic growth and purposeful diversification, while at the same time embraces shared prosperity and considers the impact of building a strong community – including improving cultural offerings and well-being of Calgarians. Calgary Economic Development is steward of the Economic Strategy along with being responsible for 15 of the 31 actions. Other Civic Partners, City Administration, and community partners have the responsibility for the remaining 16 actions.

Advancement in effective partnerships that benefit the economy is also seen through the new funding agreement between the Calgary Hotel Association and Tourism Calgary, which will contribute to a more stable and predictable funding structure for tourism promotion in Calgary and area. The Calgary Convention Centre Authority continues to work closely with partners to maximize event and convention opportunities which bring significant economic benefit to the city. Calgary Technologies Inc., operating as Innovate Calgary, contributes to economic growth and diversification by supporting entrepreneurs in building and growing their companies, in addition to providing a hub which drives greater collaboration amongst over 70 organizations

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that support entrepreneurs. In 2014, Innovate Calgary expanded its focus to include social entrepreneurs and to introduce an energy technology company accelerator, 'Kinetica'.

Following Council's endorsement in 2014 March of Calgary Arts Development Authority's (CADA) strategy for Living a Creative Life (CPS2014-0205), CADA has continued to work on making the arts integral to the lives of Calgarians. While CADA has continued to invest in over 150 arts organizations that collectively hire over 8,000 artists, it has also been working to foster collaborative relationships across sectors and communities, to help ensure that Calgarians can experience art in their everyday lives.

### **Attractions, Recreation and Sport**

Attractions and recreation/sport-based Civic Partners contribute significantly to Calgary's economy and through their facilities provide a wide range of leisure, sport, learning and recreational opportunities to the public. These Civic Partners include: Aero Space Museum, Arts Commons, Calgary Zoo, Fort Calgary, Heritage Park, Talisman Centre and TELUS Spark.

In 2014 these Civic Partners:

- invested over \$4.7 million to match The City's lifecycle grants to support the maintenance of The City's facilities, land and/or assets;
- achieved total attendance of close to 5 million visitors;
- delivered school programs to over 280,000 school children;
- offered over 750 public programs;
- provided increased access through fee assistance for low-income families; and
- engaged over 7,000 community volunteers who contributed approximately 150,000 volunteer hours, resulting in reduced operating costs and significant community engagement.

In its work to contribute to Calgary's pathway network and support the community in the building of playgrounds and other projects, Parks Foundation reports exceeding all targets set for 2014, with the Rotary/Mattamy Greenway project 80% completed in 2014.

### **Calgary Public Library (CPL)**

Under the leadership of the new CEO, three strategic directions have been identified for 2015-2018: strengthen neighbourhoods in a growing city, focus on services that make a difference, and bring the library into more people's lives. To help bring the library into more people's lives and meet its commitment to literacy, the CPL removed library card fees, with a goal of doubling library memberships from the December 2014 total of 420,000 CPL members.

The CPL is committed to determining the value and impact of their work. An independent study analysed economic and other benefits that the CPL provides to the community. Interim findings suggest that for every dollar invested into the CPL, direct benefits worth approximately \$4.82 were realized in Calgary. The CPL also embarked on a long-term process to assess the impact of their programs and services. The Impact Evaluation methodology will be used to ensure that CPL programs are relevant, effective and provide lasting benefits to the communities they serve.

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The Library Foundation was successful in raising \$5.1 million in 2014; these funds were used to support programs, collections and studies on safety, security and return on investment. A \$1 million donation from passionate library supporter Judith Umbach set the stage for future major gifts.

The CPL is committed to the idea that every library will be of the same calibre as the New Central Library, and has begun a major refurbishment project that will see libraries across the city receive enhancements to patron-facing spaces to make them more spacious, comfortable and technology-friendly.

The design for the New Central Library was released to public acclaim in September and work is proceeding to complete the LRT encapsulation by the fall of 2015. Following completion of the design of the main building, the development permit was approved at Calgary Planning Commission in 2015 March. Tender packages are under development and construction on the main building is expected to start late in 2015. All indicators point to the project being on schedule and on budget.

### **Civic Partner Challenges and Opportunities**

As with the broader community, Civic Partners have been affected by the difficult and changing economic environment, and may need to adjust goals and strategies in the coming year. Civic Partners were asked to identify challenges they face and opportunities for strategic investment that may benefit the Calgary economy.

A number of common themes were identified related to challenges:

- uncertainty related to the economy and potential reduction in venue and event bookings;
- significant reduction in corporate community investment in some areas;
- limitations of facilities in regards to their size, configuration and age;
- balancing public accessibility with increasing service delivery costs; and
- limited access to funds to support innovation and risk ventures.

Business and community development opportunities were identified that would increase the ability of Civic Partners to contribute as economic drivers for Calgary:

- invest in facilities to enable booking of high profile entertainers, national and international sporting events and major conventions, with multiplier effects related to visitor spending;
- encourage visitation and 'staycations' through supporting exhibits such as Lemur and Panda exhibits at the Calgary Zoo and the 150<sup>th</sup> anniversary celebrations of Confederation in 2017;
- provide funding and support for major events and festivals to further attract and keep tourism spending, such as the Juno awards in 2016; and
- diversify revenue streams through connecting and strengthening entrepreneurs and other business opportunities.

### **Stakeholder Engagement, Research and Communication**

Administration has worked with each Civic Partner in the preparation of this Annual Report and

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continues to support Civic Partners in determining and communicating their contribution to Council's Priorities. With Civic Partners playing a greater role than ever in delivering on Council's strategic actions for the next four years, relationship management, communication and accountability is vital. Enhancing partnership management will continue through 2016, with a focus on the development of a Partnership Policy, greater application of consistency and standardization of procedures and agreements, developing more insight and knowledge related to the risks and rewards of partnering and continuous improvement in the working relationship between Administration and Civic Partners.

### Strategic Alignment

For *ActionPlan*, Civic Partners were identified as external leads for four strategic actions under the Prosperous (P) City Council Priority for 2015-2018, including:

- P1: Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.
- P2: Advance purposeful economic diversification and growth.
- P9: Cultivate the city's talent, diversity and energy to enable Calgarians to live creative lives.
- P10a: Expand our library system.

### Social, Environmental, Economic (External)

Civic Partners play an integral role in maintaining a high quality of life for Calgarians through the provision of learning, culture, arts, tourism, heritage preservation, and parks and active living opportunities. Further, Civic Partners facilitate fair access to programs, services, facilities and public spaces and embrace diversity, inclusiveness and creativity.

Civic Partners engage in environmental stewardship and community sustainability strategies such as public education and awareness related to public spaces and natural resources. Civic Partners continue to review their operational practices to reduce consumption of resources and their ecological footprint on the environment.

Civic Partners are key contributors in attracting, retaining and nurturing economic development in the city. Partnerships are also a way for The City to leverage expertise and resources, as well as explore alternate service delivery approaches to improve the quality of life of Calgarians.

### Financial Capacity

#### Current and Future Operating Budget:

There are no operating budget implications as a result of this report. Attachment 2 details the operating grants received by the 14 Civic Partners from 2011-2014.

#### Current and Future Capital Budget:

There are no capital budget implications as a result of this report.

### Risk Assessment

Civic Partner annual reporting is one of several accountabilities that serves to mitigate future financial or reputational risks. This includes financial monitoring of performance reported through the Audit Committee, regular review of financial statements and regular review of legal agreements.

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**REASON(S) FOR RECOMMENDATION(S):**

The annual report process highlights the value of the Civic Partners, supports accountability and provides an opportunity for Council to gain an overview of the current accomplishments, challenges and future strategic direction of the Partners.

**ATTACHMENT(S)**

- Attachment 1: Previous Council Direction
- Attachment 2: Civic Partners Operating Budget Overview
- Attachment 3: Aero Space Museum Association of Calgary - 2014 Annual Report
- Attachment 4: Arts Commons (Calgary Centre for Performing Arts) - 2014 Annual Report
- Attachment 5: Calgary Arts Development Authority Ltd. - 2014 Annual Report
- Attachment 6: Calgary Economic Development Ltd. - 2014 Annual Report
- Attachment 7: Calgary Public Library Board - 2014 Annual Report
- Attachment 8: Calgary Technologies Inc. (O/A Innovate Calgary) - 2014 Annual Report
- Attachment 9: Calgary TELUS Convention Centre (Calgary Convention Centre Authority) - 2014 Annual Report
- Attachment 10: The Calgary Zoological Society - 2014 Annual Report
- Attachment 11: The Fort Calgary Preservation Society - 2014 Annual Report
- Attachment 12: Heritage Park Society - 2014 Annual Report
- Attachment 13: Talisman Centre for Sport and Wellness (Lindsay Park Sports Society) - 2014 Annual Report
- Attachment 14: Parks Foundation, Calgary - 2014 Annual Report
- Attachment 15: TELUS Spark (Calgary Science Centre and Creative Kids Museum) - 2014 Annual Report
- Attachment 16: Tourism Calgary (Tourism Calgary Convention and Visitors Bureau) - 2014 Annual Report