



# ***Leading Through Economic Uncertainty***

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**THE CITY OF  
CALGARY**



# Calgary: the current context

- Calgary has a strong economy, skilled workforce and currently targeted for continued growth.
- Yet the economy is cyclical: low oil prices have led to layoffs in that industry & reduced capital expenditures.
- Calgary's municipal government has an important role in response and recovery.



# Current Outlook

- Goal is to maintain current levels of service provided by The City of Calgary in 2015
- Revenue vulnerability: possible reduction of provincial revenues, including grants, affecting operating (Police) and capital (MSI, fuel tax) budgets.
- Other potential impacts: reduced assessment growth reducing revenues; lower franchise fees.



# The City's Response

## Short Term:

- Monitor economy closely, including impacts on business, citizens and government.
- Work with partners to invest in existing economic strategies and explore ideas for longer-term economic recovery.
- Focus on strategic investment in infrastructure, including capturing top value for municipal contracts and job creation.

# The City's Response

## Long Term:

- Work with partners to build local economic strategies, including: industry, provincial and federal government, non-profits, civic partners including Calgary Economic Development, Calgary Regional Partnership, The Chamber of Commerce.
- Focus on expansion of City's economic base: small business development, and the attraction of future sources of jobs, enterprise and innovation.



## **Six key strategies: response & recovery**

1. Continue to provide service delivery to Calgarians.
2. Focus on ensuring value for money in service delivery.
3. Monitor, understand and respond to changes in City finances.
4. Proceed with strategic infrastructure investment.
5. Work with local partners and government to understand what is required in the short term.
6. Create a more resilient local economy with a focus on long term outcomes.

# Six key strategies

## 1. Continue to provide service delivery to Calgarians.

Key Actions include:

- Move ahead with *Action Plan 2015-2018*.
- Report on progress at mid-year and year end update and prepare adjustments.





# Six key strategies

## 2. Ensure value for money in service delivery.

Key Actions include:

- Create an Investment/Budget Savings Account.
- Complete and implement zero-based reviews.
- Explore opportunities for potential savings, based on lower interest rates and lower prices for commodities.





## **Six key strategies**

### **3. Monitor, understand and respond to changes in City Finances.**

Key Actions include:

- Review 2015 City funding projections in response to new economic conditions.
- Initiate and communicate with Council and the Administrative Leadership Team on the regular monitoring of economic conditions.
- Undertake discussions with Provincial and Federal Government on priority projects for Calgary.
- Move ahead with Municipal Government Act Amendments and City Charter.

## **Six key strategies**

### **4. Proceed with strategic infrastructure investment.**

Key Actions include:

- Review the capital budget and prioritize projects that create jobs.
- Leverage purchasing & tendering opportunities to ensure best value for money.
- Review the planning pipeline and pilot new approaches for alternative approval processes for projects that align with City strategic economic plan.
- Undertake the strategic use of long-term debt and/or liquidity financing to take advantage of lower prices & availability of workforce to deliver capital projects.



# Six key strategies

## 5. Work with local partners and government.

Key Actions include:

- Initiate an Open for Business Strategy that targets investment in Calgary with a focus on long-term benefit.
- Work collaboratively with government & private sector on key initiatives.
- Seek opportunities for an increased supply of rental and affordable housing.



## Six key strategies

### 6. Create a more resilient local economy.

Key Actions include:

- Continue to invest in and support the implementation of the Calgary Economic Development Strategy.
- Prepare strategic land holdings surrounding Transit-Oriented Development areas for mixed-use development opportunities.
- Implement The City of Calgary Industrial Land Strategy.
- Continue to support the Calgary Poverty Reduction Initiative.
- Work with the Calgary Regional Partnership to build local economic strategies that leverage talent and business.



## **Administration Recommendation:**

*That City Council receive this report for information.*

*Thank you.*

