



# Strategic Approach to Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets

C2024-0239

2024 March 18

## Previous Council Direction

In 2022 November, Council approved the 2023-2026 Service Plans and Budgets, including community indicators, service performance measures, and associated operating and capital budgets.

In 2023 November, Council approved the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets, which focused on investments around Housing, Public Safety and Transit, including additional measures related to operating investments.





# Purpose of this report

Support a strategic discussion to understand what metrics Council would like Administration to use to:

1

Guide the development of the Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets; and

2

Monitor and report on:

- Administration's progress on implementing Council's strategic investments; and
- the impact that has had on our community.

# Highlights

## Demonstrating value to Calgarians:

- Administration is committed to providing clear line of sight on the progress we are making in delivering on Council's priorities.
- This report provides the metrics that Administration could use to demonstrate the impact of Council's approved investments from 2023 November.
- Today's discussion is on which additional or different metrics Council wants to focus on to see the progress to implementation and the impact of the work related to their priorities and investments.
- This work is the essential first step for an effective budgeting process that deploys (or re-deploys) resources to achieve the best value for Calgarians.







# Where we are in the plan and schedule for the Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets

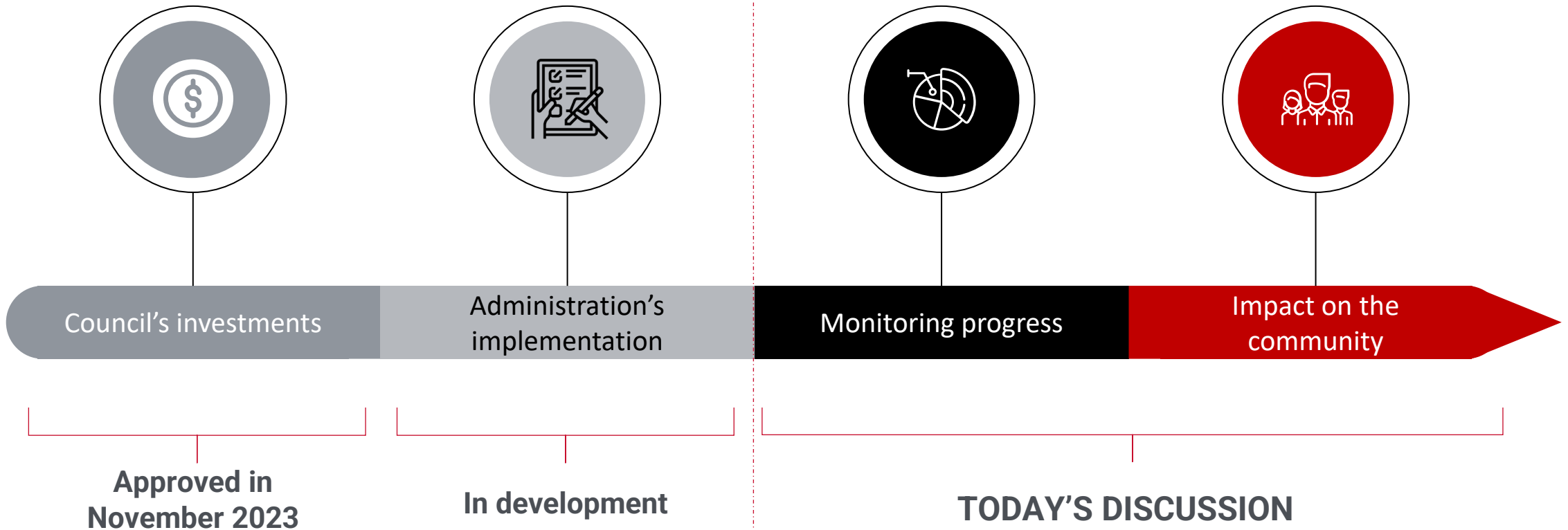
Public Communication

Executive Committee Jan 19 (Closed)	Executive Committee Feb 13 (Public/ Closed)	Strategic Meeting Mar 18 (Closed/ Public)	Executive Committee April 16 (Public/ Closed)	Strategic Meeting June 25 (Closed/ Public)	Optional Meetings July 15-31 (Closed)	Strategic Meeting Sept 16 (Closed/ Public)	Executive Committee Oct 2 (Public)	Regular Meeting Nov 5,18-22 (Public)
<b>To inform</b>	<b>To determine</b>	<b>To discuss</b>	<b>To determine</b>	<b>To determine</b>	<b>To discuss</b>	<b>To inform</b>	<b>To inform</b>	<b>To decide</b>
<ul style="list-style-type: none"> <li>Reflect on what we heard at the December 19 debrief</li> <li>Overview of planning and budgeting process</li> </ul>	<ul style="list-style-type: none"> <li>Approve plan and schedule for the Mid-cycle Adjustments to the 2023-2026 Service Plans and Budgets</li> <li>Preliminary direction regarding savings, efficiencies and/or investments</li> </ul>	<ul style="list-style-type: none"> <li>Review community indicators and metrics related to Administration's progress in advancing and implementing Council priority areas and significant milestones.</li> </ul>	<ul style="list-style-type: none"> <li>Financial and economic review and forecast</li> <li>A preview on Municipal Fiscal Gap update</li> <li>Service and performance level discussion</li> <li>Continuous improvement overview</li> </ul>	<ul style="list-style-type: none"> <li>Workshop to review Administration's suggested adjustments</li> <li>Discussion on corresponding financial capacity and service level impacts</li> <li>Finalizing the direction regarding savings, efficiencies and/or investments</li> <li>Municipal Fiscal Gap update</li> </ul>	<ul style="list-style-type: none"> <li>Opt-in meetings for Councilors to discuss Mid-Cycle Adjustments information with Administration</li> </ul>	<ul style="list-style-type: none"> <li>Preview of the Mid-cycle Adjustments investment/reduction business cases including financial data</li> </ul>	<ul style="list-style-type: none"> <li>2025 Preliminary Assessment Roll and Related Estimates</li> </ul>	<ul style="list-style-type: none"> <li>Public release of full Mid-Cycle Adjustments package (Nov 5)</li> <li>Public submissions</li> <li>Administration Q&amp;As</li> <li>Council deliberates the Mid-cycle Adjustments package</li> </ul>

\*Water utility and Waste and Recycling Service rates timing is to be confirmed



# Implementing Council's Strategic Investments



- TODAY'S DISCUSSION**
1. Enabling data-driven decision making
  2. Tying financials with performance progress
  3. Demonstrating the collective impact on the community.



Investment Name & Amount	Service Demand	Performance Measures	Impact on Community
<p>Implementing The City’s Housing Strategy (\$27M base operating, \$54.5M one-time operating 2024)</p> <p>Improving Access to Affordable Housing (\$90M capital, 2024-2028)</p>	<p>Population growth and net migration</p> <p>Housing need</p> <p>Waitlists for affordable housing</p>	<p><b>Previously approved:</b></p> <ul style="list-style-type: none"> <li>• New units through leveraged federal or provincial funding</li> <li>• New units by non-market housing providers</li> <li>• Applicant level of satisfaction with the Home Program</li> <li>• Affordable housing units built through Non-Market Housing Land Sale</li> <li>• Applicant's level of satisfaction with the Housing Incentive Program</li> </ul>	<p>Housing affordability</p> <ul style="list-style-type: none"> <li>- Average market rent</li> <li>- Income required to own a home</li> </ul> <p>Total housing starts</p>



Investment Name & Amount	Service Demand	Performance Measures	Impact on Community
Addressing Vehicle Noise and Community Traffic Safety (\$1.34M base operating, \$350,000 capital, 2024-2028)	Number of emergency calls (Fire)	<b>New:</b>	Crime severity index
Improving Transit & Community Safety (\$15M base operating, \$2M one-time operating 2024)	Number of critical medicals (Fire)	<ul style="list-style-type: none"> <li>• Warnings and violation tickets issued</li> <li>• Notices of direction</li> </ul>	Calgarians' overall perceived safety
Managing Problem Properties (\$1.17M base operating, \$69,000 capital, 2024-2028)	Number of bylaw calls for service	<ul style="list-style-type: none"> <li>• Joint enforcement operations with CPS</li> <li>• Vehicle noise complaints in enforcement areas</li> </ul>	Calgarians who feel safe in their own neighbourhood
Permanently Funding Additional Fire and Emergency Response Resources (\$3.4M base operating)	Number of responses to encampment-related calls for service	<ul style="list-style-type: none"> <li>• Kilometers of new 5A network infrastructure</li> <li>• Number of rectangular rapid flashing beacons installed</li> </ul>	Calgarians who perceive an increase in crime
Additional 5A Network Improvement Plan (\$16.4M capital, 2024-2028)		<b>Previously approved:</b>	
Additional Facility Sustainment (\$20M capital, 2024-2028)		<ul style="list-style-type: none"> <li>• Transit customers feeling safe</li> <li>• Emergency call transfers to 211 Distress Centre</li> <li>• First-in unit emergency responses within six minutes thirty seconds at critical medical incidents</li> <li>• Derelict or abandoned properties demolished or remediated</li> <li>• Traffic signals with accessible pedestrian signals</li> <li>• Condition of facilities</li> </ul>	





Investment Name & Amount	Service Demand	Performance Measures	Impact on Community	
Accelerating capital projects while preparing for Green Line Operations (\$8M base operating)	Ridership (including Specialized Transit)	<b>New:</b> <ul style="list-style-type: none"> <li>• Trips per hour</li> <li>• Access to transit network</li> <li>• Ridership</li> <li>• Service hours per capita</li> <li>• Fare revenue</li> <li>• Customer satisfaction</li> <li>• Weekend group day pass sales</li> </ul>	Main mode of transportation used in Calgary	
Limiting Transit Fare Increases (\$3M base operating)			Average commuting time	
Permanently Funding Free Transit for Children 12 and Under (\$3M base operating)			Community-wide GHG by sector (transportation)	
Strategic Improvements to Transit Service (\$4M base operating)				
Airport Transit Connection (\$10M capital, 2024-2028)				
Blue Line Extension to 88th Ave NE (\$9M capital, 2024-2028)				
Max 301 North (North Central BRT) Convertible Corridor (\$60M capital, 2024-2028)				<b>Previously approved:</b> <ul style="list-style-type: none"> <li>• Bus On-Time Performance</li> <li>• Population within walking distance of transit service</li> </ul>



Investment Name & Amount	Service Demand	Performance Measures	Impact on Community
Asset-Based Community Development (\$1.22M one-time operating 2024, \$1.22M one-time operating 2025)	Communities below equity benchmark	<p><b>New:</b></p> <ul style="list-style-type: none"> <li>• Calgarians assisted through the Basic Needs Fund</li> <li>• Calgarians supported through the Crisis Intervention program</li> </ul>	<p>Calgary Equity Index</p> <p>Calgarians who agree they feel accepted regardless of their background, identity, or lifestyle</p>
Permanently Funding Calgary’s Mental Health and Addictions Strategy (\$6M base operating)	<p>Calgarians living in low income</p> <p>Priority neighbourhoods</p>	<p><b>Previously approved:</b></p> <ul style="list-style-type: none"> <li>• Agreement that Community Strategies is helping prevent social and community issues</li> <li>• Agreement that community social workers effectively address social issues in their neighbourhood</li> <li>• Positive impact on partners</li> <li>• Condition of pavement</li> <li>• Condition of park assets</li> <li>• Snow and ice control targets met</li> <li>• Leadership impact index</li> <li>• Employee engagement index</li> <li>• Employee inclusion Index</li> </ul>	<p>Calgarians who agree they feel a sense of belonging in their neighbourhood</p>
Emergency Support to Calgarians Experiencing Vulnerabilities (\$10M one-time operating)			
Human Resources Support (\$1.95M base operating)			
Improving Pavement Quality and the 5A Network (\$30M capital, 2024-2028)			
Parks and Playgrounds Upgrades (\$18M capital 2024-2028 (includes Parks and Playgrounds updates (\$50,000 base operating))			
Symons Valley Centre - First Phase Sage Hill Library and Public Infrastructure (\$18M capital, 2024-2028)			



Investment Name & Amount	Service Demand	Performance Measures	Impact on Community
<p><b>Cross-corporate primary climate investments (approved as part of 2023 - 2026 service plans and budgets):</b></p> <p>Implementation plan in areas of Governance, Capacity Building &amp; Reporting, City Design &amp; Development, Buildings &amp; Homes, Energy, Mobility, Waste &amp; Consumption, Water, Nature &amp; Ecology, and People:</p> <p>\$3.5M base operating \$45.5M one-time operating \$383.7M capital</p>	<p>N/A</p>	<p><b>Previously approved:</b></p> <ul style="list-style-type: none"> <li>• Flood Exposure Risk of properties</li> <li>• Scorecard rating for tracking adaptation and measuring development</li> <li>• Corporate Greenhouse Gas Emissions</li> <li>• Protected and conserved greenfield development</li> <li>• Bus GHG Emissions (CO2)</li> </ul>	<p>Community-wide GHG emissions</p> <p>Projected community climate risk</p> <p>Concern about impact of extreme weather events on one's life</p>





Investment Name & Amount	Service Demand	Performance Measures	Impact on Community
<p><b>Greater downtown plan (approved as part of 2023 - 2026 service plans and budgets):</b></p> <p>Downtown programming and public safety initiatives (\$12M base operating)</p> <p>Downtown vibrancy capital projects (\$163M capital)</p> <p>Office conversion program (\$162M capital)</p> <p>Arts Commons transformation phase 1 (\$80M capital)</p> <p>BMO Expansion (\$500M capital funded in equal parts by the Government of Canada, Government of Alberta, and The City of Calgary)</p> <p>Event Centre (\$515.3M capital)</p>	<p>Office vacancy rate</p>	<p><b>Previously approved:</b></p> <ul style="list-style-type: none"> <li>• Downtown Surplus Office Inventory Reduction</li> <li>• Economic impact of TELUS Convention Centre delegates</li> <li>• Cultural attraction attendance</li> </ul>	<p>Downtown Assessed Taxable Value</p> <p>Perceptions of safety downtown</p> <p>Frequency of visits downtown for work, school, and leisure</p> <p>Desirability of downtown for leisure</p>



Investment Name & Amount	Service Demand	Performance Measures	Impact on Community
<p><b>Approved as part of 2023 - 2026 service plans and budgets:</b></p>	<p>Population growth and net migration</p>	<p><b>New:</b></p>	<p>Residential and non-residential building permit values</p>
<p>City's Residential Heritage Grant Program (\$1M base operating)</p>	<p>Total development applications received</p>	<ul style="list-style-type: none"> <li>• Communities engaged in LAPs</li> </ul>	<p>Residential units approved for development</p>
<p>Local Area Plan Building Neighborhood Amenity Fund (\$20M capital)</p>		<p><b>Previously approved:</b></p>	<p>Land area of industrial development approved</p>
<p>Transit Oriented Development Program (\$16M capital)</p>		<ul style="list-style-type: none"> <li>• Calgarians living in communities with modernized Local Area Plans</li> <li>• Land area where middle density housing is allowed</li> <li>• Land area designated for industrial uses</li> <li>• Serviced land supply for new communities</li> </ul>	



# Other Investments Approved in November 2023

- Capital Cost Escalations (\$147M capital, 2024-2026)
- Corporate Inflationary Pressures (\$27M base operating)

No additional performance measures associated as these investments enable continued service delivery.

- Council Compensation Review Committee (\$100,000, one-time operating 2024)
- Ward Boundary Commission (\$176,000, one-time operating 2024)
- Ward Budget Adjustments for Population Growth (\$1.62M base operating)
- Planning for Corporate System Upgrades (\$7M capital, 2024-2028)

Progress updates only



# Administration's Recommendations

That Council:

- 1 Approve the metrics identified in Attachment 2 as reflective of Council's priorities;
- 2 Identify any desired additional metrics that will support Council and Calgarians in understanding the progress and impact of approved investments; and
- 3 Direct Administration to explore the feasibility of any additional metrics identified and incorporate discussion of these metrics into the 2024 June 25 Strategic Session of Council.