

People, Innovation & Collaboration Services Report to
Intergovernmental Affairs Committee
2024 September 05

ISC: UNRESTRICTED
IGA2024-0741

2025-2026 Federal and Provincial Budget Recommendations

PURPOSE

The purpose of this report is to provide recommendations to the Intergovernmental Affairs Committee and Council regarding The City of Calgary's 2025 federal and provincial budget submissions.

PREVIOUS COUNCIL DIRECTION

Each year, The City of Calgary prepares written submissions for the pre-budget consultation processes to both the federal and provincial governments. The Intergovernmental Relations team leads this work on behalf of Administration presenting its recommendations to Council.

RECOMMENDATION:

That the Intergovernmental Affairs Committee recommend that Council endorse the pre-budget submissions to the Government of Alberta (Attachment 1) and the Government of Canada (Attachment 2), and request Mayor Gondek to sign and submit on behalf of Council.

CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

General Manager Chris Arthurs concurs with this report and its recommendations.

HIGHLIGHTS

- Decisions made at the federal and provincial levels have significant impact on The City and on Calgarians. The pre-budget consultation process is crucial for The City to signal key areas to the other levels of government where working together will maximize benefits for residents.
- The proposed pre-budget submissions for 2025 focus on key City funding priorities, identify areas for collaboration or partnership, and align with shared interests and priorities as identified by Administration and in keeping with Council's Priorities: Housing, Public Safety, Transit, Social equity, Climate, Downtown revitalization and Land use and local area planning.
- By positioning itself to collaborate with other orders of government and offer opportunities to leverage investment, The City enables more funding to create better outcomes that matter to Calgarians and support the well-being of our city.
- The Intergovernmental Relations team engaged with business units and subject matter experts across The Corporation to inform details included in the recommended submissions.

DISCUSSION

Each year, The City participates in pre-budget engagement with the other orders of government, allowing The City to highlight opportunities to achieve shared objectives through investment and partnership. As the fastest growing major city in Canada, it is only through collaboration and shared investments by all orders of government that we will meet the challenges associated with this unprecedented growth and ensure Calgary retains its position as the most livable city in North America.

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The letters are not identical, but complimentary, focusing on City priorities that align best with each government’s jurisdictional mandate and strategic priorities. The following funding priorities have been identified in the attached draft letters:

Provincial Requests
Recommendation 1: That the Government of Alberta match funding from other orders of government to build and maintain affordable housing.
Recommendation 2: That the Government of Alberta reassess funding tools to enable flexible, consistent, and predictable affordable housing funding for the municipality and its housing partners.
Recommendation 3: That the Government of Alberta support the Calgary Metropolitan Region's Metro-Regional application for the Canada Public Transit Fund application.
Recommendation 4: That the Government of Alberta contribute, through cost-sharing with The City of Calgary, Rocky View County and the Government of Canada, to support utility and transportation infrastructure for the Prairie Economic Gateway.
Recommendation 5: That the Government of Alberta move to Phase 3 of the Bow River Reservoir Options (BRRO) initiative by selecting the most appropriate site and making the corresponding investment.
Recommendation 6: That, on Family and Community Support Services Funding (FCSS), the Government of Alberta allocates an additional \$25 million for a total of \$130 million and indexes its investment to inflation and population growth.
Recommendation 7: That the Government of Alberta continue to support Albertans living with low incomes through \$20.5 million investment in the Low-Income Transit Pass program in Calgary.
Recommendation 8: That the Government of Alberta increase its investment in the prevention and response to the interconnected issues of mental health, addiction, homelessness and health.
Recommendation 9: That the Government of Alberta contribute, through cost sharing with the Government of Canada and The City, \$127 million towards the Foothills Multisport Fieldhouse and \$1 million towards developing a Sports Infrastructure Strategy for The City of Calgary, University of Calgary, Winsport, and McMahon Stadium.
Recommendation 10: That the Government of Alberta continue to support municipalities with the pressures of increasing growth through infrastructure investments and state of good repair funding.

Federal Requests
Recommendation 1: Request that the Government of Canada increase funding for new affordable housing and renewal of the existing housing supply.
Recommendation 2: That the Government of Canada reassess funding tools to enable flexible, consistent, and predictable affordable housing funding for the municipality and its housing partners.
Recommendation 3: That the Government of Canada support The Calgary of Calgary's Metro-Regional application and Baseline application for the Canada Public Transit Fund.
Recommendation 4: That the Government of Canada increase funding mechanisms to support municipalities with infrastructure investment and resiliency.

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Recommendation 5: That the Government of Canada contribute, through cost-sharing with The City of Calgary, Rocky View County and the Government of Alberta, to support utility and transportation infrastructure for the Prairie Economic Gateway.

Recommendation 6: The City looks to the Government of Canada to invest in the Community Drainage Improvement Program and continue to consider City applications.

Recommendation 7: That the Government of Canada provides predictable funding to respond to homelessness and encampments.

Recommendation 8: That the Government of Canada contribute, through cost sharing with the Government of Alberta and The City, \$127 million towards the Foothills Multisport Fieldhouse.

Priorities highlighted in each letter were determined through the following advocacy principles:

1. **Focus on existing commitments:** The City will prepare recommendations focused on how existing federal and provincial programs can be structured or allocated to advance shared priorities.
2. **Demonstrate our own commitment:** By signaling priorities through investments and drawing the connections to shared objectives, The City creates an attractive environment where other orders of government can leverage current investments and create a partnership.
3. **Offer solutions:** Rather than appealing to other orders of government for investments to solve local problems, The City will align its goals with other orders of government's and come to the table with solutions to these shared challenges, demonstrating local successes where appropriate.
4. **Move investments quickly:** Recommendations for investments in tested local programs or projects will ensure funding can move into the community quickly, benefitting Calgarians and appealing to other orders of government.
5. **Achieve multiple outcomes:** Programs and projects that achieve multiple outcomes with a single investment will have a better chance of seeing leveraged investment from the federal or provincial governments.
6. **Be replicable elsewhere:** Ideas and approaches that can be duplicated in other jurisdictions are more likely to be viewed favourably and result in a positive outcome when being considered for investment.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | |
|--|---|
| <input type="checkbox"/> Public engagement was undertaken | <input type="checkbox"/> Dialogue with interested parties was undertaken |
| <input type="checkbox"/> Public/interested parties were informed | <input checked="" type="checkbox"/> Public communication or engagement was not required |

IMPLICATIONS

Social

Strategic partnerships with other orders of government will assist The City in improving public safety and the provision of social services such as affordable housing, mental health and addictions support, as well as investment for low-income transit passes. The submissions call for support from other orders of government to alleviate the impact of high inflation and rapid population growth to ensure that The City can continue to provide services to newcomers and

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existing Calgarians alike. Investments in sport will provide continued access to recreational and amateur sports facilities across the city.

Environmental

Priorities identified in the submissions will have a positive impact on Calgary's environmental resilience including flood mitigation and reducing the risks from seasonal drought. Investments in transit infrastructure will ensure that a greater number of Calgary residents enjoy the benefits associated with public transit and reduced dependency on private vehicles.

Economic

With investment from other orders of government we will continue to strengthen, diversify, and modernize the regional economy, delivering economic prosperity and social equity for Calgarians. Support for innovation will ensure that Calgary continues to prosper as the economic landscape evolves. The Prairie Economic Gateway initiative alone will create more than 6,750 jobs, with \$1.6 billion in economic output.

Service and Financial Implications

Other:

Intergovernmental transfers support The City's ability to provide services and help to mitigate the financial pressures which otherwise are passed on to residents in the form of property tax increases.

RISK

Annual budget submissions are one tool that The City uses for advocacy, and Intergovernmental Relations will continue to support further advocacy with both orders of government to advance City priorities. If the report recommendations are not approved, The City risks missing opportunities to secure available funding by not submitting recommendations and requests for financial support through this process. The budget process is also an opportunity to confirm our strategic direction and to highlight areas where cross-corporate work is required.

ATTACHMENTS

1. 2025-2026 Provincial Budget Submission
2. 2025-2026 Federal Budget Submission
3. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Chris Arthurs	People, Innovation and Collaboration Services	Approve
David Duckworth	Chief Administrative Officer	Inform
Stuart Dalgleish	Chief Operating Officer	Inform

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Carla Male	Corporate Planning and Financial Services	Inform
Michael Thompson	Infrastructure Services	Inform
Doug Morgan	Operational Services	Inform
Katie Black	Community Services	Inform

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