



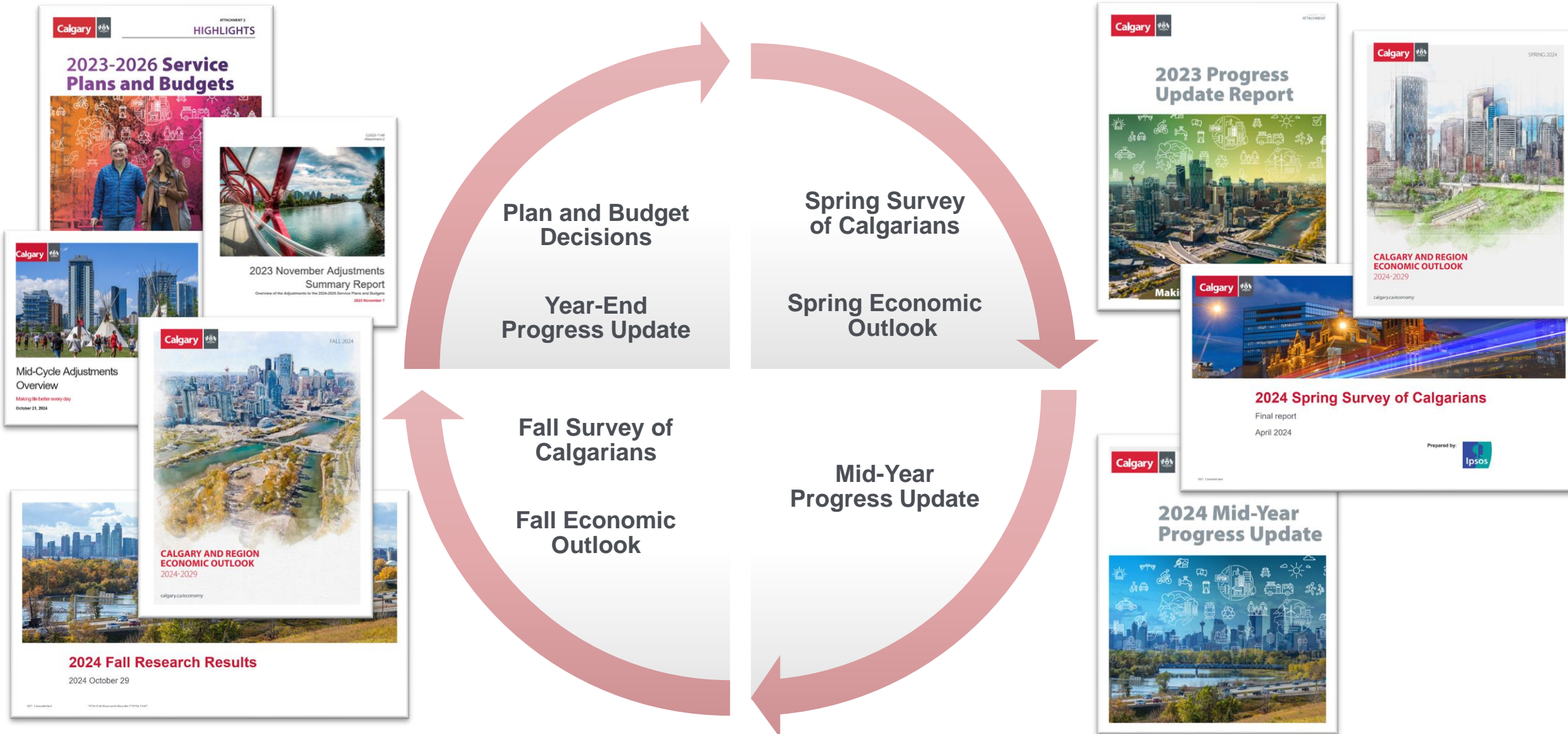
Mid-Cycle Adjustments to the 2023-2026 Service Plans and Budgets

C2024-1097

2024 November 5










Cycle of data-based decision making





Most important issues for Calgarians

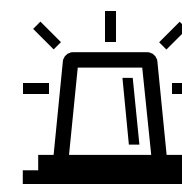
		Change Spring 2024-Fall 2024
	35% Infrastructure, traffic and roads	+6% ↑
	18% Economy	+2%
	17% Homelessness, poverty and affordable housing	- 7% ↓
	16% Crime, safety and policing	- 6% ↓
	14% Transit	- 3% ↓
	13% Water supply/infrastructure	-
	12% Zoning and growth	-

↑/↓ Statistically higher/lower than previous wave



These adjustments respond to the needs expressed by Calgarians

- Delivering reliable infrastructure and City services.
- Continuing capital projects.
- Ensuring community development to address Council's priorities.





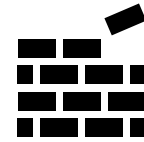
Recommendation(s)

That Council:

1. Approve the plan and budget adjustments as articulated in the following:
 - a. REVISED Attachment 3 – Recommended Investments
 - b. Attachment 5 – Capital Budget Adjustments
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 - e. Attachment 10 – Technical Performance Measure Adjustments
2. Approve the list of Council priority metrics in Attachment 9 - Priority Metrics and Advancing Measurement and Reporting;
3. For the user fee and rate adjustments in Attachment 4:
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5. Direct that Confidential Attachment 13 be held confidential pursuant to Section 23 (local public body confidences) of the Freedom of Information and Protection of Privacy Act, to be reviewed no later than 2026 December 31.



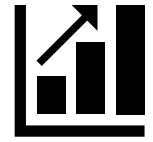
Calgarians and The City continue facing pressures



Aging infrastructure



Rapid population growth



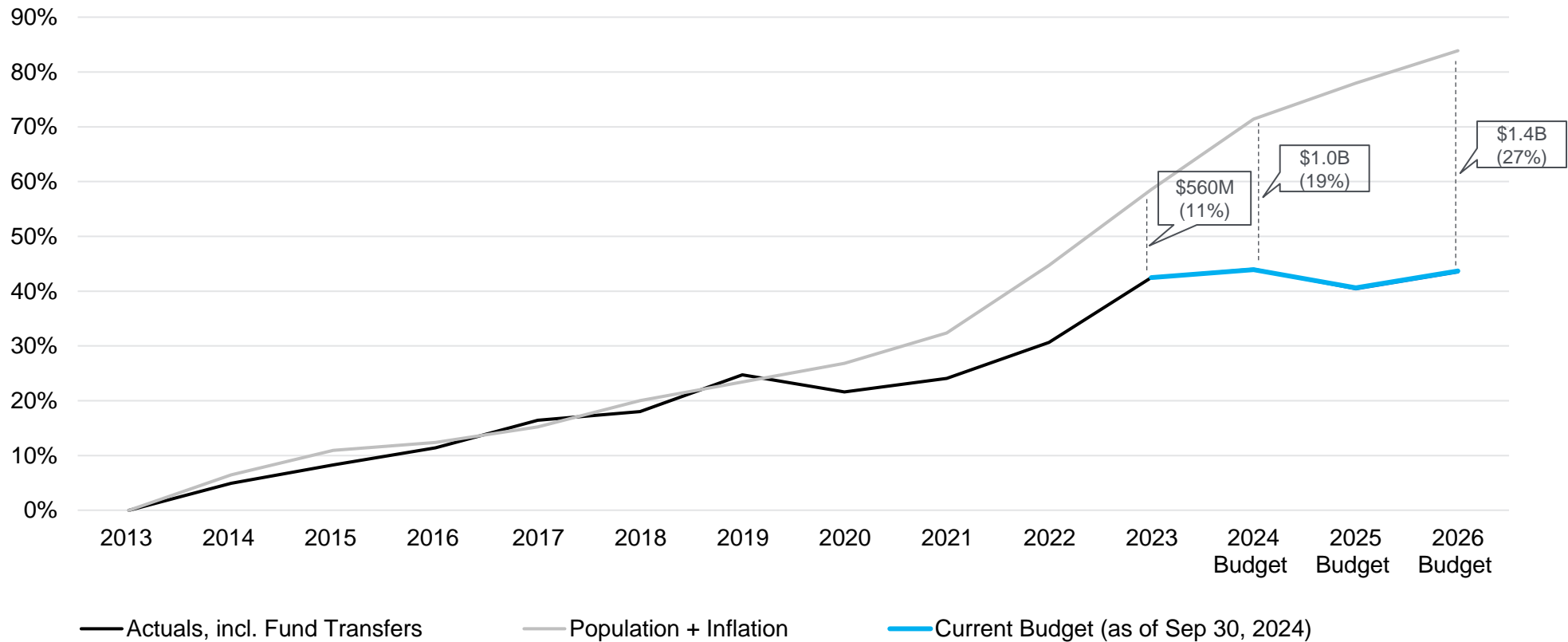
High inflation

These pressures are affecting service delivery and Calgarian satisfaction with City Services



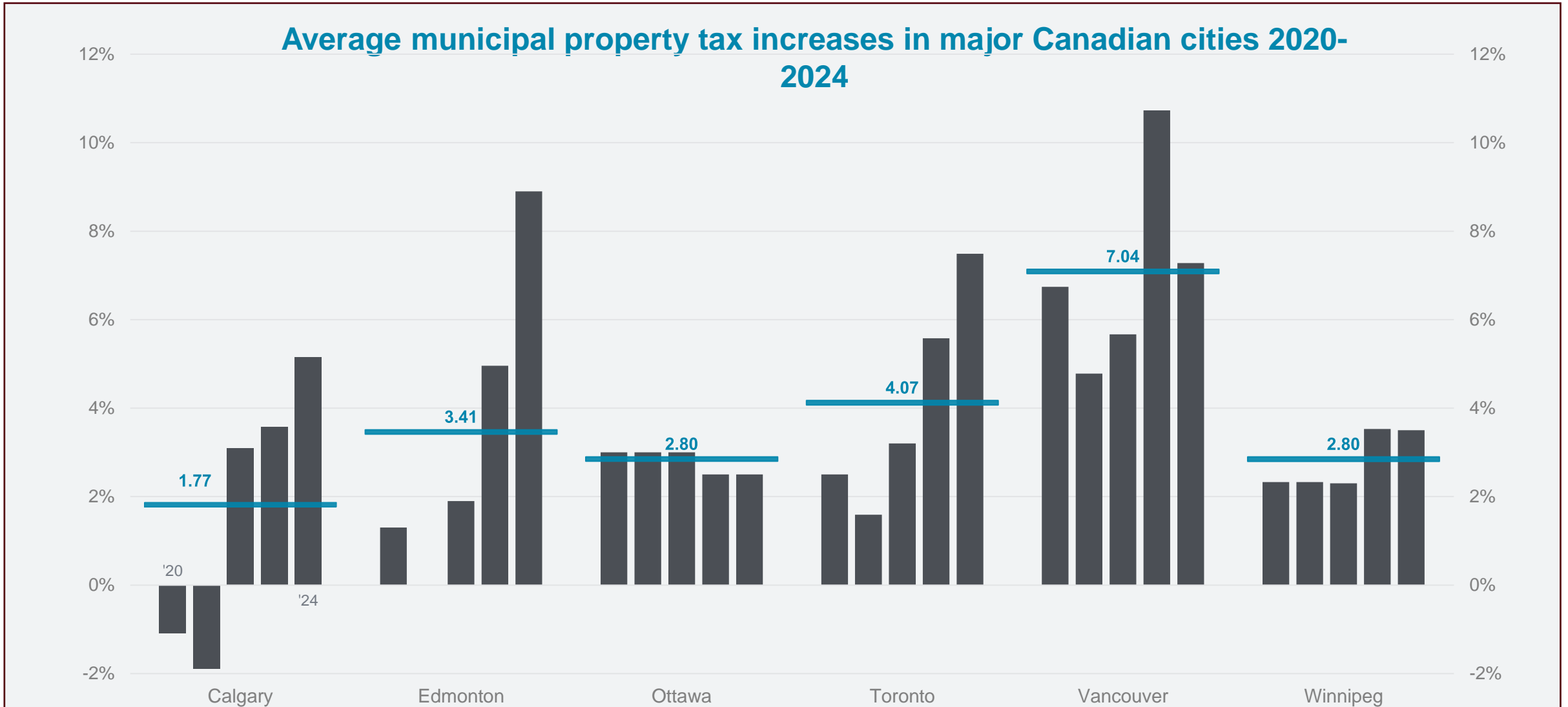
Population growth and inflation are outpacing spending

Cumulative Change in Total City Operating Expenditures vs. Population + Inflation





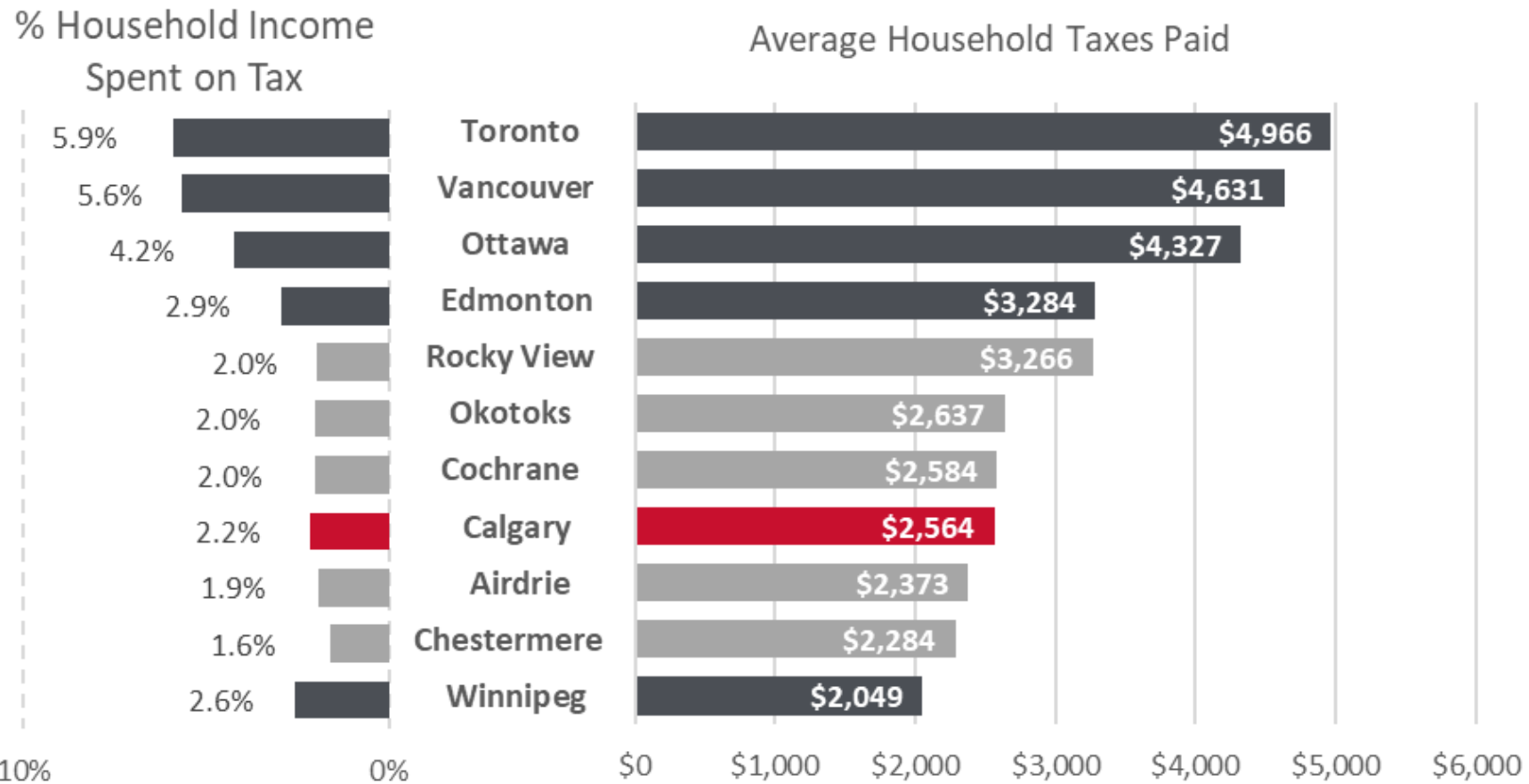
Calgary's property taxes have increased slower than other major Canadian cities





Calgary is a leader in property tax affordability

Municipal residential property tax as a percentage of household income and average taxes paid, 2024



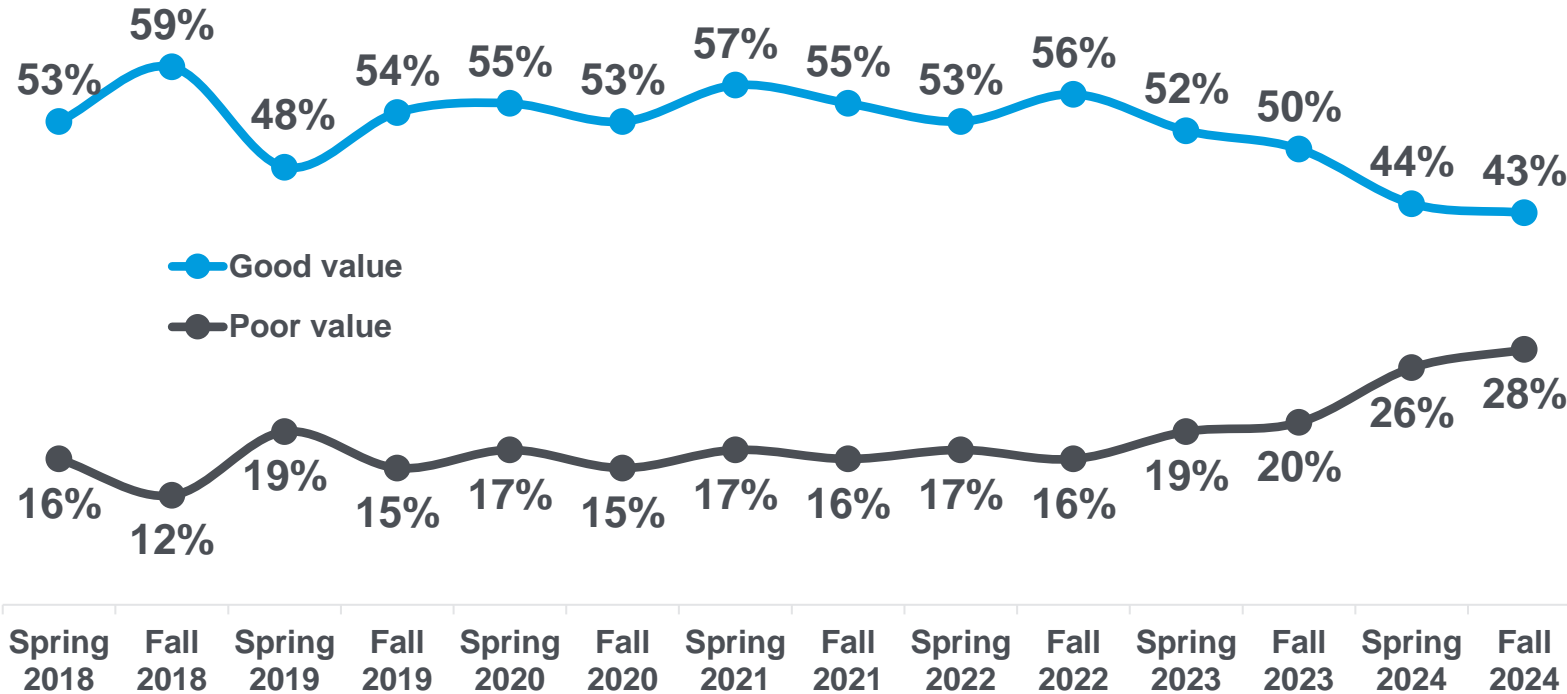
Legend:

- National comparators
- Regional comparators
- Calgary

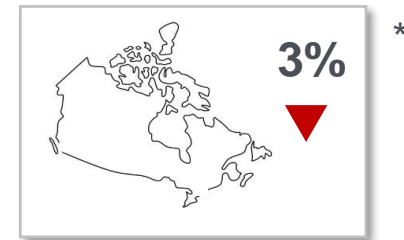


Satisfaction with services is the top driver of perceived value for taxes

Perceived value of taxes



In national benchmarking, the perceived value for taxes in Calgary is **3% lower** than the average of other major municipalities*



▲ / ▼ Higher/lower than National Municipal Norm

*Source: 2024 National Municipal Benchmarking Survey



Cost pressures from downloading continue to increase

New unfunded responsibilities

Expanded roles without funding

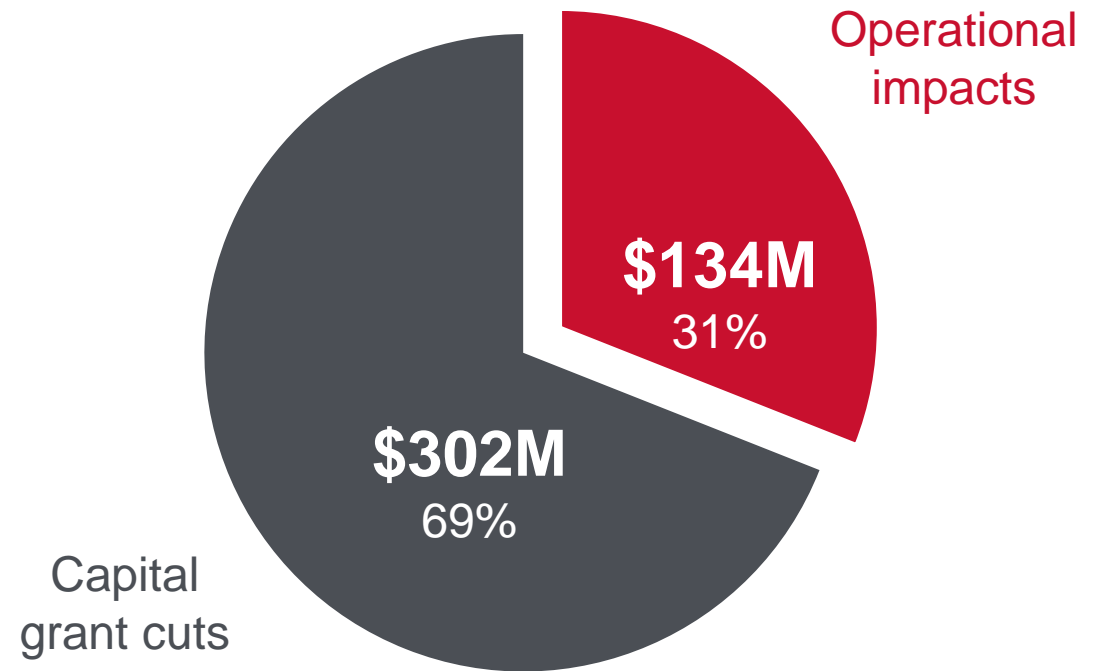
Pressures

Provinces shift responsibilities to municipalities

Adverse changes to funding

Adverse changes to cover costs

Downloading happens when the federal or provincial government passes some cost pressures to municipalities, further increasing cost pressures and deteriorating the municipal fiscal gap.





How we've minimized property tax increases



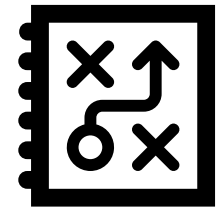
Reviewing corporate financial capacity



Leveraging other funding sources



Reprioritizing within Services

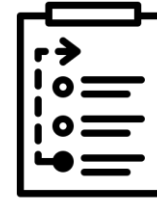


Reallocating capital funds



Funding is required to meet the needs of Calgarians

To continue delivering the services Calgarians want and value, we're recommending the following funding for new investments:



\$46m

in efficiencies and reprioritization of existing funding



\$42m

in additional 2025 budgeted Corporate revenue



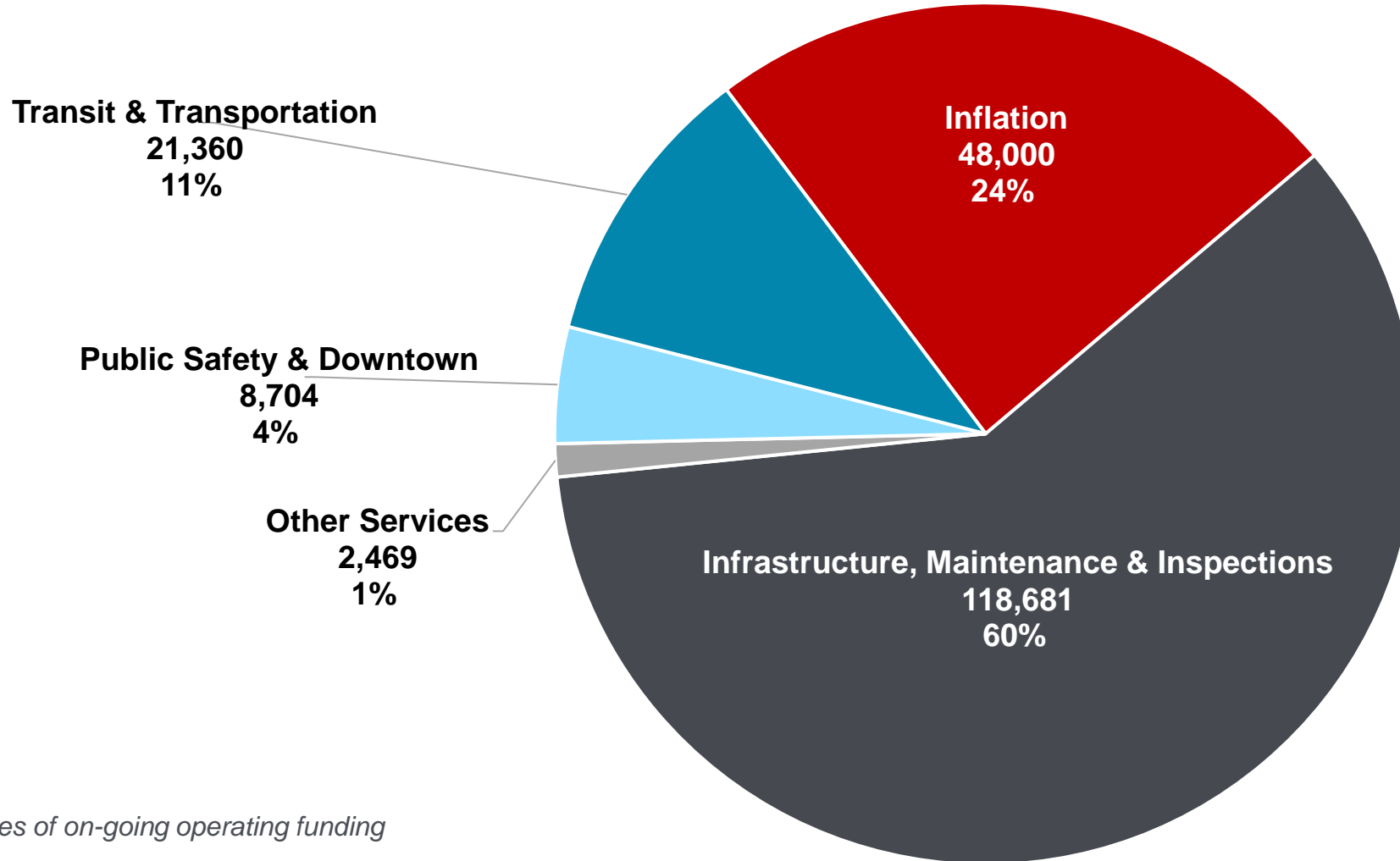
\$110m

in increases to user fees



Ongoing annual investments focused on Calgarians' needs

Ongoing annual operating investments* (\$000, starting in 2025)



* Includes all types of on-going operating funding

Building a great city at pace with growth, demand & maintenance



Infrastructure, Maintenance & Inspections

\$118.7m

ongoing annual funding starting in 2025

\$59.4m

more ongoing annual funding in 2026

\$2m

one-time operating funding across 2025-2026

\$827.7m

capital funding across 2025-2026



Water, Wastewater & Stormwater:

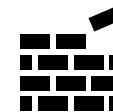
- Treatment plants, distribution, collection & drainage networks

Waste & Recycling Services:

- Facilities & equipment



Improving pavement quality on high-speed roads



Critical safety & infrastructure projects:

- Slope stability
- Power relay replacements
- Retaining Wall Replacement Program

Helping Calgarians get around



Transit & Transportation

\$21.4m

ongoing annual funding
starting in 2025

\$8m

more ongoing annual
funding in 2026

\$51.2m

one-time operating
funding across 2025-2026

\$10m

capital funding across
2025-2026



- Blue Line Extension to 88 Ave. N.E.
- Preparing for Green Line Operations



- Sustaining Calgary Transit service by covering revenue shortfall
- Eligibility resources for Calgary Transit Access
- Additional investments in Calgary's pathways & bikeway project (5A network)
- Low Income Transit Pass Program sustainment

Meeting the needs of Calgary's growing population



Housing, Land Use & Local Area Planning

\$0.6m

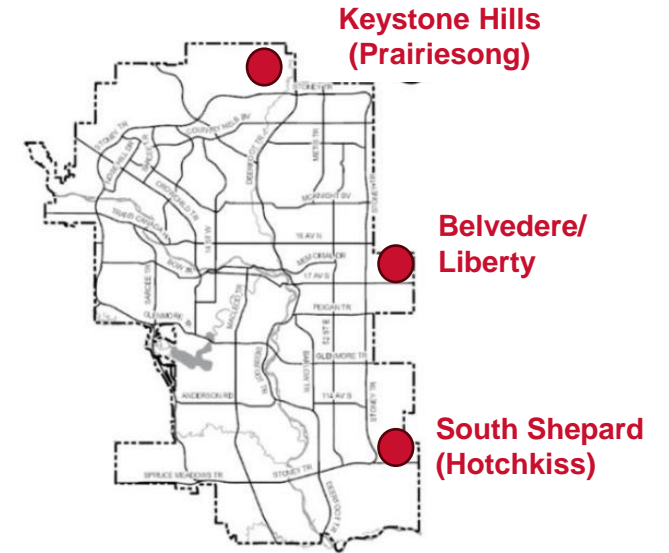
ongoing annual funding in 2026

\$7m

one-time operating funding across 2025-2026

\$124.3m

capital funding across 2025-2026



Operating and capital investments required for new communities:

- Belvedere / Liberty
- Hotchkiss – South Shepard
- Prairiesong – Keystone Hills





- Transit Oriented Development
- Public Spaces in Established Areas
- Exploring a New Civic Census



Investments in new communities will enable supply of 18,000 homes

Financial impacts of new community growth

This Cycle 2025 & 2026		Future Cycles 2027+	
		Funding source identified	Funding source identified
Ongoing incremental operating cost	\$0.6m	<input checked="" type="checkbox"/>	\$51.1m 
Corporately Funded Capital Cost	\$31.9m	<input checked="" type="checkbox"/>	\$63.7m 
Off-Site Levy Funded Capital Cost	\$33.1m	<input checked="" type="checkbox"/>	\$66.3m <input checked="" type="checkbox"/>
Fee Funded Capital Cost	\$16.2m	<input checked="" type="checkbox"/> *	\$50m <input checked="" type="checkbox"/> *

* Certain investments will need to be included in the Off-Site Levy bylaw

Additional costs of services not directly attributable to any one community are also required (e.g., recreation, libraries)



Enhancing public safety downtown & across the city

Public Safety & Downtown Revitalization

\$8.7m

ongoing annual funding
starting in 2025

\$2.9m

more ongoing annual
funding in 2026

\$12.2m

one-time operating funding
across 2025-2026



- Increasing 911 capacity to dispatch Transit Peace Officers



- Aligning emergency response capabilities to meet rising service demand
- Implementing Downtown Safety Leadership Table recommendations



Addressing rising costs of providing City services

Inflationary Pressures

\$48m

ongoing annual funding
starting in 2025

\$18m

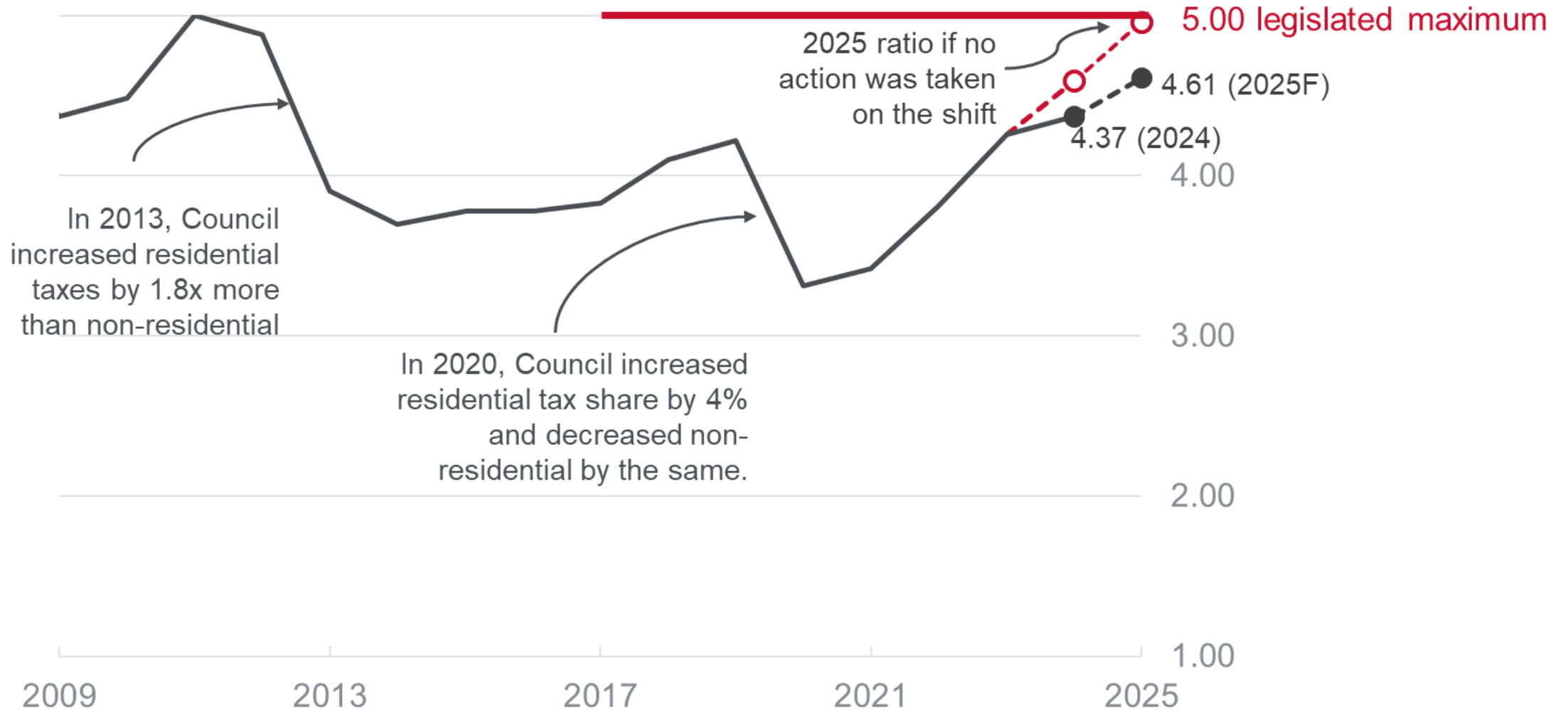
capital funding across
2025-2026



- Covering the rising costs of labour and materials within City operations and contracted services



Non-residential to residential tax rate ratio





Property taxes are a result of multiple decisions and market forces out of The City's control

Overall tax revenue



3.6% tax revenue
increase from **all**
existing properties
in 2025

Tax share

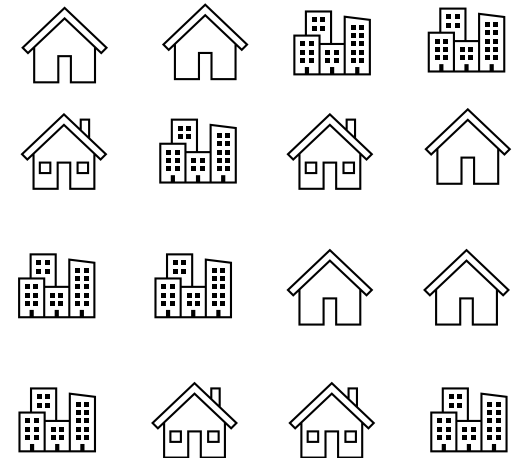



Non-Residential

▼ **1% shift**


Residential

Market forces



Estimated value of a single
residential property
+16% for 2025



Examples of tax impacts by property type

Residential



Non-Residential

		Typical Assessed Value	2025 Municipal Annual Tax	Change from 2024
Residential	Single Residential	\$700,000	\$2,665	3.9%
	Condominium	\$360,000	\$1,370	10.5%
	Multi-Residential – High-Rise Apartment	\$40,360,000	\$153,634	5.3%
Non-Residential	Non-Residential Property	\$5,590,000	\$98,172	1.5%
	Retail – Strip Mall	\$6,420,000	\$112,748	0.2%
	Office – Downtown AA Class	\$268,480,000	\$4,715,046	-1.6%
	Typical Industrial – Warehouse	\$7,760,000	\$136,281	3.1%

Assessments are preliminary and tax amounts are estimates and subject to change upon finalization.



Changes in 2025 on a typical single residential property*

	2024	2025
 Municipal property tax per month	\$214	+\$8.37 (3.9%)
 Waste & recycling and water utilities per month	\$137	+\$5.09 (3.7%)
Total cost for City services	\$351	+\$13.46 per month or 3.8%

Municipal property tax amounts are estimates and subject to change upon finalization of assessments.

** A single residential property assessed at the median of \$700,000 in 2025 with metered water usage of 19m³ or 90 bathtubs full.*



Calgary's property tax increase will still be lower than most other major cities

THE CITY OF
Edmonton

8.1%

Ottawa

2.9%

Calgary



3.6%

CITY OF
VANCOUVER

10%

TORONTO

Not yet reported



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Mid-Cycle Adjustments Budget Deliberations Week

Kate Martin

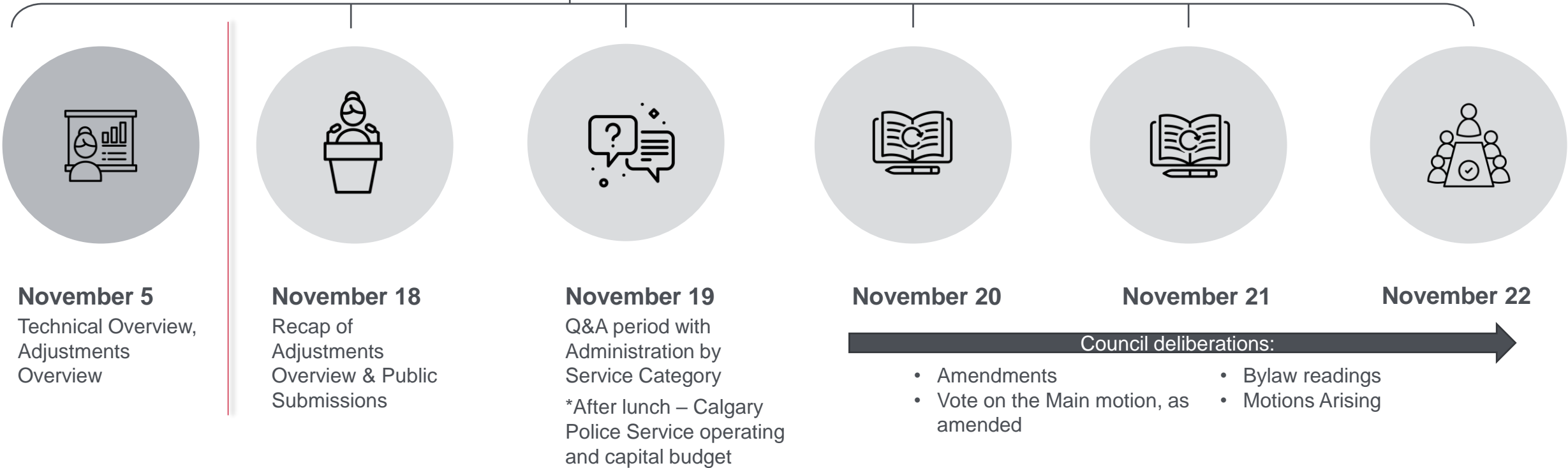


Mid-Cycle Adjustments: Overview



Budget Adjustments Deliberations Week

Monday, November 18 –
Friday, November 22





Mid-Cycle Adjustments: Overview and Anticipated Timeline

