



Report Number: EC2025-0520

Meeting: Executive Committee

Meeting Date: 2025 May 13

NOTICE OF MOTION

RE: PRIORITIZING INFRASTRUCTURE REINVESTMENT & PROTECTING SERVICE LEVELS

Sponsoring Member(s) of Council: Councillor Spencer

WHEREAS The City of Calgary's infrastructure is critical to delivering essential services, supporting economic growth, and enhancing the quality of life for its citizens;

AND WHEREAS the 2020 Infrastructure Status Report identifies a significant and growing percentage of infrastructure assets that are in poor or very poor condition, requiring reinvestment to maintain safety, functionality, and service standards;

AND WHEREAS the report outlines an estimated \$7.73 billion infrastructure gap, including over \$500 million of unfunded annual maintenance and operating investments needed over the next 10 years;

AND WHEREAS Calgary's infrastructure funding gap has continued to grow due to rapid population growth, aging assets, and escalating costs driven by inflation, with liabilities projected to increase substantially;

AND WHEREAS decreasing levels of inter-governmental transfers, earmarked for reinvestment, have further added strain to municipal infrastructure gaps;

AND WHEREAS growth and economic development pressures historically outcompete reinvestment priorities when Council allocates one-time funding through the budget process;

AND WHEREAS revenue fundamentals in City taxation have necessitated a more than 20-year tax shift from non-residential to residential property taxpayers, with no immediate end in sight, creating high resistance to sizeable year-over-year tax increases leading to decades of incremental strain on infrastructure reinvestment funding;

AND WHEREAS the lack of prioritization of infrastructure reinvestment risks compounding the financial burden over time, leading to service disruptions, safety concerns, and higher long-term costs;

AND WHEREAS maintaining our existing infrastructure is not optional, with its neglect compounding liabilities for future generations and its proper prioritization critical for the long-term health of our communities;

NOW THEREFORE BE IT RESOLVED that Council direct Administration to develop an Infrastructure Reinvestment Program specifically positioned to address the growing infrastructure service gap, with the following considerations:

1. Identifying and consolidating stable and sustainable funding sources, including but not limited to utility rates, grants, property taxes, project reprioritization, and user fees;

2. Reviewing current funds, such as the Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged account, and the attached funding sources, against programs in other jurisdictions, such as the Dedicated Renewal Fund in Edmonton;
3. Solidifying clear criteria for prioritizing infrastructure reinvestment projects based on factors such as condition, risk, service levels, impacts on growth and alignment with strategic objectives;
4. Matching reinvestment work with redevelopment opportunities and infrastructure upgrades with public infrastructure owners to minimize cumulative costs of lifecycle capital outlays;
5. Ensuring transparency and accountability through regular reporting on program performance, expenditures, and outcomes;
6. Exploring potential contributions from other orders of government to share risks and costs associated with infrastructure reinvestment, including intergovernmental communications, which estimate the economic benefit related to properly maintaining key City infrastructure;
7. Providing recommendations for implementation, including timelines, resource requirements, and governance structures;
8. Preparing a Council-mandated report, to be embedded in all future budgets, which outlines historic and forecasted reinvestment rates, future reinvestment rate recommendations, historic funding rates compared to inflation and connected outcomes to the Infrastructure Status Report.

AND FURTHER BE IT RESOLVED that Council direct Administration to prepare an amendment to the Reserve for Future Capital and Lifecycle Maintenance and Upgrade Merged terms of reference, to increase the 2.6 per cent annual property tax funding to 5 per cent, and return to the 2025 July 22nd Executive Committee;

AND FURTHER BE IT RESOLVED that Administration report back to Council with the proposed Infrastructure Reinvestment Program no later than Q3, 2026, to be considered as part of the 2027-30 four-year budget.

Attachment:

1. Notice of Motion Checklist