

Infrastructure Services Report to  
Infrastructure and Planning Committee  
2026 April 15

ISC: UNRESTRICTED  
IP2026-0155

## Corporate Capital Prioritization Framework

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### PURPOSE

The purpose of this report is to provide the Infrastructure and Planning Committee with an overview of The City's Corporate Capital Prioritization Framework, which is used to support transparent, evidence-based capital decision making. This report is being presented now to support ongoing discussions about capital investment needs leading up to the City-wide 10-year Capital Infrastructure Plan and the next business planning and budget cycle.

### PREVIOUS COUNCIL DIRECTION

| Date        | Report Number | Description  |
|-------------|---------------|--|
| 2015 Nov 25 | C2015-0855    | Council directed that "Administration will review the prioritization of capital projects, taking a more corporate view of prioritization, understanding restricted funding sources. Rather than allocating funding to departments to apply to individual priority lists, the corporate priority list will be developed." |

### RECOMMENDATION:

That the Infrastructure & Planning Committee recommend that Council receive this report for the Corporate Record.

### CHIEF ADMINISTRATIVE OFFICER/GENERAL MANAGER COMMENTS

General Manager Michael Thompson concurs with the contents of this report.

### HIGHLIGHTS

- In March, Administration presented 13 Capital Infrastructure Needs Assessments outlining the investments required to achieve current service objectives or performance targets, independent of financial or delivery constraints. This report builds on that, introducing the Corporate Capital Prioritization Framework ("The Framework") which will be used to prioritize needs for the City-wide 10-Year Capital Infrastructure Plan and the 2027-2030 Business Plans and Budgets.
- The Framework provides a clear, evidence-based way to evaluate and compare very different types of capital needs. It also supports transparency and trade-off discussions.
- Capital needs are prioritized using criteria that measure how each investment delivers service, manages risk, enables efficient operations and strengthens resilience.
- The Framework includes a required investment pathway to ensure that needs addressing high-consequence legal, regulatory, public safety or employee safety risks are clearly identified and advanced for funding recommendation.

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### **DISCUSSION**

City Council is responsible for setting strategic direction, approving service levels, and approving capital budgets, and therefore requires clear, consistent and defensible information to inform those decisions. Given the scale and diversity of capital infrastructure needs across the organization, Administration applies the Corporate Capital Prioritization Framework to support transparent decision-making, balance complex trade-offs and facilitate informed and impactful investment decisions.

The City has used a prioritization Framework for the last two four-year budget cycles, with regular reviews to ensure the methodology remains current. In early 2025 The City concluded an external consultant engagement that included a current-state review, benchmarking to leading practices and a jurisdictional scan of comparable North American cities. This review recognized that The City of Calgary has established itself as a leader in capital planning and prioritization.

The Framework provides a path from identifying capital needs to developing informed, City-wide funding recommendations. By applying a common evaluation approach across all potential capital projects and programs, the Framework enables capital investment opportunities to be assessed and compared in a consistent manner, using shared criteria. This approach to capital prioritization, using defined categories, risk-based pathways and multi-criteria evaluation to support strategic alignment and Council decisions, is increasingly common across municipalities.

The City of Vancouver uses a multi-criteria evaluation approach to assess capital projects and ensure they align with strategic priorities while remaining within financial limits. The City of Toronto organizes its capital plan around categories such as State of Good Repair, Legislative, and Service Improvement projects. Similarly, the City of Edmonton also applies a structured prioritization approach within its capital planning process that is informed by asset management practices. Projects are evaluated based on infrastructure conditions, lifecycle requirements, risk, and impacts to service levels.

The City of Calgary's process begins with services identifying and prioritizing capital needs within their own portfolios, informed by Council focus areas, service level requirements, public engagement, asset conditions, investments to facilitate growth, regulatory obligations, and risk considerations. This first stage ensures that subject matter experts closest to the assets and services are responsible for defining the problem to be addressed and for determining which opportunities are most important within their own areas.

A required investment pathway ensures that investments addressing high-consequence risks are identified and advanced for funding recommendation. Projects that are necessary to meet legal and regulatory requirements or protect public and employee safety are assessed through a defined risk-based process and validated using supporting evidence. This ensures that essential assets are not deprioritized due to funding constraints or competing benefits, providing confidence that the most critical needs of the city are addressed first.

A funding and financing review is conducted to understand the amount of available funding across the organization (tax-funding, developer levy funds, grants, debt, utility rates etc.), their sources, and any requirements for the budget cycle. This is an ongoing process that informs Administration's recommendations following the multi-criteria prioritization stage.

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Meanwhile, capital needs are assessed using a second stage – or corporate – prioritization. Capital needs are assessed on how well they deliver service, manage risk, improve operational efficiency, and strengthen resilience. This approach places The City’s key mandates and core purpose at the forefront, aligning essential criteria and measures to clarify how The City generates value across each area through its capital investments.

The multi-criteria prioritization approach reflects leading practice by recognizing that infrastructure decisions involve multiple dimensions and objectives and cannot be effectively compared using a single measure. For example, a project that significantly reduces safety risk may not deliver the same economic benefits as another project, while an investment that supports growth may place new demands on operating budgets. The Framework is designed to make these differences visible and comparable. This ensures that funding recommendations are not made in isolation but reflect the full range of impacts an investment may have.

Administration will use the framework to prioritize all 10-year capital infrastructure needs collected for both capital intensive and non-capital-intensive service areas. Project alignment and ideal sequencing to ensure efficiency are also factored in. This will culminate in the City-Wide 10-year Capital Infrastructure Plan. The sequenced and prioritized 10-Year Capital Infrastructure Plan informs the capital recommendations for the 4-year business plan and budget. In addition to the results of the prioritization, Administration considers Council’s funding guidance, available funding sources and restrictions, and the impact on operating into the analysis, working to optimize all potential funding. The output is a list of recommended capital investments brought forward to Council that is evidence-based and aligned with strategic direction and approved funding limits.

Opportunities are categorized into four investment groups: Maintenance and Replacement, Growth, Service Enhancement, and Transformative. These groups are an evolution of the earlier “MUGS” classifications and make it easier to understand why an investment is being proposed and provide a shared language that helps distinguish between sustaining existing infrastructure, accommodating growth, improving service levels and advancing major initiatives that shape the long-term future of the city.

The Framework provides a foundation to evaluate disparate capital initiatives and helps inform Council as they make funding decisions. Council will have the opportunity to review, question and adjust the proposed capital budget.

### **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 |

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### IMPLICATIONS

#### Social

The Framework helps ensure that social wellbeing is explicitly considered in capital decision-making. Investments are assessed for their ability to support equitable outcomes, contribute to complete communities, advance reconciliation, and enhance community vibrancy.

#### Environmental

The Framework ensures capital investments are evaluated for their contribution to climate adaptation and resilience, greenhouse gas reduction, protection of natural infrastructure, and responsible resource use.

#### Economic

The Framework supports The City's responsibility to steward public funds responsibly by strengthening the focus on value for money and long-term financial sustainability. Economic considerations such as economic resilience, job creation, and the ability to attract and retain investment are evaluated within the broader context of cost, risk, and lifecycle impacts.

#### Service and Financial Implications

#### No anticipated financial impact

### RISK

1. Applying a corporate-wide multi-criteria prioritization process requires sustained effort, coordination and analytical capability. If timelines, training or governance oversight are insufficient, there is a risk that the Framework may be applied unevenly across the organization which could reduce confidence in its outputs. This risk is mitigated through regular review of the Framework performance and feedback to support continuous improvement and alignment with evolving needs.

### ATTACHMENT(S)

1. Presentation – Corporate Capital Prioritization Framework IP2026-0155
2. Capital Prioritization Framework Target Outcomes, Categories & Criteria

#### Department Circulation

| General Manager/Director         | Department                           | Approve/Consult/Inform |
|----------------------------------|--------------------------------------|------------------------|
| General Manager Michael Thompson | Infrastructure Services              | Approve                |
| Director Ryan Vanderputten       | Capital Planning & Business Services | Approve                |