

**Community Services Report to
Priorities and Finance Committee
2018 May 01**

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PFC2018-0543
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10 Year Economic Strategy Update - Deferral

EXECUTIVE SUMMARY

As directed by Council, Calgary Economic Development (CED) as steward of *building on our energy: an Economic Strategy for Calgary*, brings an annual update on implementation of the Strategy to the Priorities and Finance Committee no later than May each year. This report requests a deferral of that annual update to provide sufficient time for CED to refresh the Strategy and bring it forward to the Priorities and Finance Committee for approval by Q3 alongside the 2017 Strategy update.

Providing additional time will allow CED to bring forward both an update on activities in 2017 that furthered implementation of the Strategy, and a refreshed Strategy that addresses emerging issues and reflects the changes in Calgary's economic conditions since the Strategy was last updated in 2015.

ADMINISTRATION RECOMMENDATION:

That the Priorities and Finance Committee recommends that Council defer the 10 Year Economic Strategy Update report to be brought to the Priorities and Finance Committee by Q3 2018.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2017 May 29, Council approved Administration's recommendation in PFC2017-0472 10 Year Economic Strategy Update be adopted as follows: That the Priorities and Finance Committee recommends that Council receive this report for information.

On 2016 June 13, Council approved that Administration's recommendation in PFC2016-0396 10 Year Economic Strategy Update be adopted as follows: That the Priorities and Finance Committee recommends that Council receive this report for information.

On 2016 February 22, Council approved that Administration's recommendations in C2016-0176 be adopted, as follows: That Council 1. Receive this report for information; and 2. Direct Calgary Economic Development to report back with Innovate Calgary and Administration to the Priorities and Finance Committee with a plan to develop an Innovation Framework for Calgary for approval no later than 2016 May prior to release of \$325 thousand of the \$7 million referenced in recommendation 1 of PFC2016-0081.

On 2016 February 2, the Priorities and Finance Committee approved Administration recommendation 1 contained in PFC2016-0081 as follows: That the Priorities and Finance Committee recommend that Council: 1. Approve a one-time increase to operating budget program 449 - Calgary Economic Development by \$7 million from the Community Economic Resiliency Fund to carry out the initiatives detailed in Attachment 1 and direct Calgary Economic Development to report back on the use of the funds through their 10-Year Economic Strategy updates to the Priorities and Finance Committee; and that Administration Recommendation 4 contained in Report PFC2016-0081 be approved, as amended, as follows: That the Priorities and Finance Committee recommend that Council: 4. Direct Administration to provide a supplementary report to the 2016 February 22 Meeting of Council containing more information as requested at today's meeting, with respect to Recommendations 1 and 2.

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On 2015 December 15, Council approved the 10 Year Economic Strategy Update (PFC2015-0821) and directed Calgary Economic Development to provide an annual report to the Priorities and Finance Committee no later than May each year, commencing 2016 May.

On 2014 November 3, Council adopted *building on our energy: an Economic Strategy for Calgary* including implementation plan, and directed Calgary Economic Development Ltd. to provide an annual report on the Strategy to the Priorities and Finance Committee no later than December, commencing 2015 December (PFC2014-0809).

BACKGROUND

Calgary Economic Development (CED), a Civic Partner, is the steward of *building on our energy: an Economic Strategy for Calgary*. As part of its work, CED brings an update to the Priorities and Finance Committee by May of each year. The update includes information on activities from organizations working across the community and The City that are supporting the Strategy's 32 actions.

The Strategy adopts a collaborative model with each of the Strategy's 32 actions and related 143 tactics assigned to a lead organization and other stakeholders identified as providing support. Representatives from lead organizations including Administration, Civic Partners, post-secondary institutions, not for profit agencies, and the provincial and federal governments sit on a Leadership and Implementation Team that provides advice and guidance. Success of the *Economic Strategy* is based on cross-sector collaboration and participation.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Since the Strategy was approved by Council in 2015, Calgary's economic conditions have changed dramatically. To ensure the Strategy is a living document that can guide collective actions in Calgary to build a competitive, vibrant and global city, CED is leading a process to update and refresh the strategy. The refresh will also leverage and align with opportunities related to The City's work as part of the 100 Resilient Cities network.

To optimize use of time, CED has proposed to bring the refreshed Strategy forward at the same time as the annual update to the Priorities and Finance Committee. The deferral will ensure CED has the time required to bring both items forward together. CED has planned to bring the update report to PFC by Q3 2018.

Stakeholder Engagement, Research and Communication

Calgary Economic Development requested additional time this year to allow for updates to the *Economic Strategy for Calgary* to be presented at the same time as the annual implementation update, and was engaged in the drafting of this deferral report.

Strategic Alignment

CED's *Economic Strategy for Calgary* closely aligns with Action Plan 2015-2018, the Municipal Development Plan, Corporate Industrial Land Strategy, imagineCALGARY, Centre City Plan, and Enough for All.

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CED is a member of The City's Resilience Team and is aligning this work with City programs and initiatives related to economic development. Administration is also working with CED to leverage resources and support available to The City through The City's 100 Resilient Cities membership.

CED also participates on the Implementation Leadership Council for the *Enough for All Strategy* and the Stewardship Group for imagineCALGARY to ensure continued alignment throughout the implementation of the *Economic Strategy for Calgary*.

Social, Environmental, Economic (External)

The Strategy is a key method of delivering on the following Council Strategies in Action Plan 2015-2018:

- P1. Strengthen Calgary's position as a global energy centre and location of choice for international talent, investment and innovation through enhanced business development, marketing and place-making initiatives.
- P2. Advance purposeful economic diversification and growth.
- P3. Support civic, business and community partners, as well as business revitalization zones to collaborate and attract local and global investment.

Financial Capacity

Current and Future Operating Budget:

There is no operating budget impact. Funding for implementation of the Strategy is included in Action Plan 2015-2018. In 2016, an additional \$7 million in one-time funding was allocated from the Community Economic Resiliency Fund to accelerate implementation of the Strategy.

Current and Future Capital Budget:

There are no impacts regarding this request.

Risk Assessment

If CED brings forward the Strategy update report in May, it will be required to bring a second report at a later date to present the refreshed Strategy. While combining the two items in one report will ensure the effective use of resources, there may be a community expectation to see the report in May, as that has been the practice since 2016. The combined report will therefore be presented as near to May as possible, likely just one month later.

REASON(S) FOR RECOMMENDATION(S):

This report requests a deferral to provide sufficient time for CED to finish a refresh of the *Economic Strategy for Calgary* and bring it forward to the Priorities and Finance Committee for approval by Q3 2018 alongside the 2017 Strategy update.

ATTACHMENT(S)

None