

**Planning & Development Report to
SPC on Community and Protective Services
2018 September 05**

**ISC: UNRESTRICTED
CPS2018-1018**

One Calgary 2019-2022. A Prosperous City – Service Plan Previews

EXECUTIVE SUMMARY

Making life better every day for Calgarians is our common purpose. The City of Calgary delivers on this purpose by being a service and results-driven, accountable and resilient municipal government, placing citizens, customers and communities at the forefront of our plans, decisions and actions.

On 2018 September 05 Community and Protective Services Committee will be presented with a service plan preview for the citizen priority “A Prosperous City” and the City services that have been grouped under this priority. These services are an integral part of the overall corporate strategy that forms the One Calgary 2019-2022 service plan and budget and should be understood in conjunction with all other services. The goal of the services under “A Prosperous City” can be described as “providing opportunities for all”.

Services have been grouped according to the Council Directives and priorities with which they align most closely. In some cases, the alignment may appear somewhat artificial, but this approach allows for a more in-depth and structured conversation with Committee on a limited number of services, as opposed to discussing all City services at once. It is acknowledged that there is overlap between services and various priorities; more services than appear under each priority contribute to that priority and the respective Council Directives.

Particularly in such times of constrained resources, it is important to maximize service value and return on investment, and to provide a strategic focus for the next four-year plan and budget cycle, building on direction from City Council, citizens, communities and customers. Administration continues to work to integrate operating and capital budgets and balance the next four-year service plan and budget within the indicative tax rate set by City Council on 2018 April 25.

ADMINISTRATION RECOMMENDATION:

That the SPC on Community and Protective Services receive this report for information.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2018 January 31 (C2018-0115), Council adopted the “Council Directives to Administration for 2019-2022 One Calgary Service Plans and Budgets”. Further, Council adopted a motion arising to direct Administration to bring forward amendments to the Council Priorities.

On 2018 February 28, Council adopted amendments to the 2019-2022 Council Directives (C2018-0201) and approved “Three Conversations, One Calgary” as the framework that will guide the development of The City’s Strategic Plan for 2019-2022 (C2018-0224).

On 2018 April 23 (PFC2018-0445), Council approved The City’s Strategic Plan Principles, which introduce a set of five overarching principles and associated value dimensions for One Calgary which will guide the development of the 2019-2022 service plans and budgets.

On 2018 April 25 (C2018-0489) Council approved the indicative property tax rate and the indicative rates for the Waste & Recycling service. At the same meeting, Council referred the decision on indicative rates for Water Utilities (Water, Wastewater and Stormwater) to the 2018 June 18 Strategic Council Meeting.

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On 2018 May 16 (C2018-0586) Council approved the long-term tax support rates, and the deferral of long-term tax support rates for Appeals and Tribunals to the 2019 service plans and budgets adjustment process.

BACKGROUND

2018 September 05 Community and Protective Services Committee is the second meeting of a series of successive conversations throughout September to support City Council's expressed desire to be strategic about resource decisions for the 2019-2022 service plans and budget. Acknowledging that we are still eight weeks away from tabling the 2019-2022 service plans and budget in November, these conversations are not designed for Council members to make final decisions. Rather, throughout the September preview Council will receive information on all 61 City services and will be asked to provide feedback which will be used to determine required changes to finalize the 2019-2022 service plans and budgets.

On 2018 September 04 One Calgary presented to the Priorities and Finance Committee both the One Calgary 2019-2022 corporate introduction to service plan previews (PFC2018-0974) and the preview of the services for the "A Well-Run City" citizen priority (PFC2018-1023).

At the 2018 September 05 Community and Protective Services Committee the previews continue with the services grouped under the citizen priority "A Prosperous City". Administration seeks input from Committee members about whether the services respond appropriately to the aspiration of the citizen priority, and whether the intended emphasis and the preliminary service levels for each of the services meet the expectations set by Council Directives, the City's long-term plans and policies and Calgarians. Please note that the Directives have been numbered to introduce Council to this numbering system as it will be used for future reporting.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Citizen priority "A Prosperous City".

The aspiration for this citizen priority is described as follows:

"Calgary continues to grow as a magnet for talent, a place where there is opportunity for all, and strives to be the best place in Canada to start and grow a business."

City Council has provided the following directives for this priority:

(P1) The City needs to continue building a local economy that is more resilient to changes in commodity prices. Although Calgary continues to diversify its economy and reduce dependency on the resources sector, Council acknowledges that more work is required. We need to update and implement Calgary's economic development strategy while maintaining support for our energy and technology industries.

(P2) Recently Calgary Economic Development identified six potential industries that will drive economic growth and spur job creation. These all require attention and nurturing. For example, one of those growth industries, travel and tourism, needs to move to a new level with an enhanced focus on arts, culture, festivals, and winter activities.

(P3) Accordingly, Calgary's new economic strategy must include policies that will attract these growth industries to Calgary, support Calgary's existing businesses, enhance support for entrepreneurs, and revitalize the city's downtown core. At the same time, The City needs to

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methodically remove red tape and barriers that impede businesses from locating to Calgary or interfere with existing businesses and new business start-ups. Attracting and retaining new talent must remain an important cornerstone of our economic strategy.

(P4) Many Calgarians continue to struggle with housing, income, and food instability. We must continue to implement Enough for All, Calgary's Poverty Reduction Initiative. Enhancing our partnerships with other orders of government, the non-profit sector and businesses, will be critical to fully implement this initiative, and provide equitable access to services for all Calgarians.

(P5) Finally, The City needs to work with other orders of government, non-profit and private sector partners to deliver programs to provide sufficient supply of affordable housing, while maintaining the safety and quality of the existing affordable housing stock. Further, The City must advocate to the provincial and federal governments to adequately fund their responsibility for affordable housing

Service plans preview

Council will be presented with a preview of the following services that most closely align to this priority:

- Affordable Housing
- Arts & Culture
- Business Licensing
- Community Strategies
- Economic Development & Tourism
- Land Development & Sales
- Library Services
- Social Programs

How citizens experience the services under this priority can be summarized by the goal of "providing opportunities for all". Services under "A Prosperous City" strive to provide economic development opportunities, support the development of arts and culture in Calgary, leverage and multiply City investment, provide free access for Calgarians to traditional and new media through a network of libraries, and provide non-market housing.

Several services under this citizen priority rank highest amongst all City services regarding their importance to citizens and the desire by citizens to invest more or the same, according to recent citizen satisfaction surveys.

Attachment 1 includes a draft of the first two pages of the 2019-2022 service plans and budgets for each service contributing to this citizen priority. The information contained in these two pages includes a description of each service and its customers, the value proposition for the service in question, some key indicators such as benchmarks, highlights and performance measures, and context for the service such as the Council Directive(s) the service relates to, research and engagement results, and risks.

Administration's presentation of this report will include the intended emphasis for each service and a preliminary assessment of each service level. This information is still being finalized and could therefore not be included in this report. "Service emphasis" needs to be understood in the broader context of One Calgary. Focus and emphasis can be achieved in different ways, only one of which is actual monetary investment. Other opportunities include collaboration and support between services, efficiencies and effectiveness that provide a more focussed approach to service delivery or a reprofiling of how a service is delivered.

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Stakeholder Engagement, Research and Communication

The work of One Calgary has involved engagement with service owners from across the organization, for the services lines related to this citizen priority on a regular basis. Results from the One Calgary public engagement and market research conducted throughout the program were used to guide the development of the 2019-2022 service plans and budgets to date. Communication about the process in general and specific aspects were provided to service owners, City staff and the public.

Strategic Alignment

Overall, the One Calgary program implements The City's strategic plan "Three Conversations, One Calgary" and follows Council's Five Strategic Plan Principles (PFC2018-0445). The program directly addresses the commitment to service-based plans and budgets and contributes to Council's Five Guidelines to Administration approved by Council on 2018 February 28 (C2018-0201).

More specifically, the services under "A Prosperous City" align with several The City's long-term plans and policies. For example, "enough for all" – The City's poverty reduction strategy, The Cultural Plan for Calgary, Calgary's Corporate Affordable Housing Strategy 2016-2025 and Calgary's new economic strategy.

Social, Environmental, Economic (External)

The One Calgary 2019-2022 service plans for this citizen priority consider the social, environmental and economic environment. The plans and budget will be developed using a results-based performance framework. This includes information on how each City service contributes to quality of life for Calgarians and their aspirations for the community. Especially relevant for the services presented in this report are aspirations about attracting new business and talent to Calgary, diversify the economy, created opportunities for all, provide a variety of housing options, and strive to become the best place in Canada to start and grow a business.

Financial Capacity

Operating and capital budgets have been integrated under the umbrella of One Calgary.

Current and Future Operating Budget:

The service levels that will be recommended in November for the 2019-2022 service plans and budgets will be expected to be attainable within the indicative tax rate range set by Council on 2018 April 25. Due to ongoing work to balance the operating and capital budgets no concrete budget information will be provided during the September service plan previews.

Current and Future Capital Budget:

Infrastructure Calgary is currently reviewing capital funding and investments to be recommended within the capital funds available for the 2019-2022 plan and budget cycle. The recommended capital budget will be presented to Council in November.

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Risk Assessment

The One Calgary 2019-2022 service plans and budget must be considered in the context of realistic external changes that can have a significant impact on The City's financial capacity. The areas of focus and strategies captured within this report and the attached material should be seen as part of a long-range plan with focus on a 4-year increment. It will be important to ensure sufficient contingency and resiliency within the next four-year plans and budget for The City to react to changes due to a potential new provincial government, fluctuating natural resources prices and other external factors.

The Principal Corporate Risks most impacted by the services under "A Prosperous City" are:

- Economic and social risk – ongoing pressures from the regional economic downturn are creating increased demand for social supports. This has an impact on both The City and its partners, operations and service delivery.
- Partnership risk – the health and sustainability of The City's partners impacts delivery of services and programs to Calgarians and the management and operation of City-owned assets including facilities.

REASON(S) FOR RECOMMENDATION(S):

The September 2018 preview of service plans related to "A Prosperous City" allows Administration to gather feedback from City Council that will be used to guide the finalization of the One Calgary 2019-2022 service plans and budgets which will be tabled for approval in November. As such no decision is required from Council during this preview.

ATTACHMENT(S)

1. Attachment 1 – First two pages of each of the One Calgary 2019-2022 service plans and budget pages for A Prosperous City