

# Investment Options

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## Attachment 2 – Summary of Investment Options

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## Summary: Issues/services with potential additional investment

In C2018-1149, Administration summarized a number of significant issues that Council has identified for further discussion and potential additional investment. On 2018 October 11, Council directed Administration to include in the 2018 November 14 One Calgary report to Council advice on potential additional investments and financing required about the issues identified.

Subsequent to October 11, 2018, Administration has done further analysis on these issues. Service owners were engaged and investment options were presented to and discussed by, Administration Leadership Team (ALT). As a result of this analysis, Administration has sorted each of the issues into one of the following four categories:

1. Included in the revised Service Plan and Budget subsequent to October 11, 2018
2. For Council consideration with capital implications
3. For Council consideration with operating implications
4. No additional budget recommended at this time

### 1. Included in the revised Service Plan and Budget subsequent to October 11, 2018

At the time of the Service Plan Previews, capital funding was still being reviewed and aligned to new investments. After this process was complete, there was some funding capacity remaining which has been allocated to the additional investments below with a portion remaining for Council to allocate. Issues which have been included in the revised service plan and budget are:

Issue	Additional Operating	Additional Capital and funding source	Service pages
1.1 Affordable Housing	N/A	\$31 million (funded by Infrastructure Calgary capacity) contingent on leveraging \$75 million in federal and provincial grants	Affordable Housing (p. 81 - 88)
1.2 Civic Partners (Vivo)	N/A	\$22.5 million (funded by the Community Service Charge)	Recreation Opportunities/ Civic Partners (p. 345 - 352)
1.3 Integrated Civic Facilities Plan (ICFP)	\$300 thousand base in 2022	\$8 million for Facility Management (funded by Infrastructure Calgary capacity) \$8 million for the Symons Valley library (funded by the Community Service Charge)	Facility Management (p. 511 - 520)  Library Services (p.137 - 142)

Issue	Additional Operating	Additional Capital and funding source	Service pages
1.4 Main Streets	\$190 thousand total one-time in 2022: \$110 thousand for Sidewalks & Pathways, \$80 thousand for Streets	\$30 million total: \$18 million for Sidewalks & Pathways, \$12 million for Streets (funded by Infrastructure Calgary capacity)	Sidewalks & Pathways (p. 289 - 296)  Streets (p. 307 - 316)
1.5 Wheelchair accessible taxis	\$350 thousand one-time in each of 2019 & 2020 (CPS2018-1013)	N/A	Taxi/Limousine (p. 319 - 324)

The additional operating for Main Streets and ICFP represent the operating costs associated with the capital investment that was added.

## 2. For Council consideration with capital implications

Issues for Council consideration with capital implications are:

Issue	Additional Capital Identified (\$000s)	Service(s)
2.1 Affordable Housing <sup>a</sup>	17,200	Affordable Housing
2.2 Arts & Culture	600	Arts & Culture
2.3 Better Citizen Engagement	240	Citizen Engagement & Insights
2.4 Civic Partners	47,000	Various
2.5 Maintain/Enhance Tree Canopy <sup>b</sup>	Option 1: 7,500 Option 2: 11,500	Urban Forestry
2.6 Pedestrian Strategy	13,000	Sidewalks & Pathways Streets
2.6.1 Missing links – sidewalks and pathways	13,000	Sidewalks & Pathways
2.6.2 Missing links – streets	15,950	Streets
2.7 Pedestrian Strategy	13,000	Sidewalks & Pathways Streets
<b>Total</b>	<b>114,490 - 118,990</b>	

- a. The operating impact associated with this additional capital identified is an one-time decrease of \$200 thousands.  
b. The operating impact associated with this additional capital identified is a base increase of \$105 thousands. Either option would eliminate the need for the proposed \$3.878M on time funding.

The additional investments identified to address issues for Council's considerations totalled approximately \$114.5 million to \$119.0 million and are not included in Administration's recommendation for the capital budget as there is approximately \$43 million in Infrastructure Calgary funding capacity available to allocate to these issues. The refinement of funding capacity and the process of optimizing restricted sources where possible enabled this remaining capacity to consist of relatively flexible sources such as the Lifecycle Maintenance and Upgrade Reserve and the Reserve for Future Capital. Administration requires further discussion and direction from Council as to the prioritization of each issue given that the available funding capacity cannot fund

the total capital business cases relating to these issues. Business cases for these issues are included in Appendix 1.

### 3. Council consideration with operating implications

Additional operating investment for Council consideration are:

Issue	Additional base operating Identified (\$000s)	Service(s) (\$000s)
3.1 Arts & Culture - Festival & events subsidy	560	Arts & Culture
3.2 Better citizen engagement	Option 1: 430 Option 2: 70	Citizen Engagement & Insights
3.3 Civic Partners (including Calgary Economic Development) <sup>a</sup>	23,548	Various
3.4 Crime prevention through social development and environmental design	1,320	Corporate Security (\$320) Bylaw Education & Compliance (\$620) Parks & Open Spaces (\$130) Social Programs (\$250)
3.5 Sustainable funding for low income transit	10,500	Public Transit
<b>Total</b>	<b>35,998 – 36,358</b>	

- a. Civic Partners additional base operating does not include the additional request for Heritage Park presented in Attachment 5.

The proposed Service Plan and Budget falls within the top range of the approved indicative tax rate range for all four years. Therefore, additional operating investments for the significant issues identified will require an increase to the proposed tax rate above the range or reduce the recommended service budgets in order to fund any of these issues. To fund everything identified above would require an additional combined tax increase of between 2.13% and 2.15% total over 2019 and 2020 (about \$3.35 per month for the typical household). Business cases for these issues are included in Appendix 2. Administration requires further discussion and direction from Council on the operating issues identified.

### 4. No additional budget recommended at this time

The table below shows the issues for which Administration does not recommend further action, along with the reason for that position. As with the other issues, Council would need to either increase the tax rate above the range, or reprioritize the recommended service budgets in order to fund any of these issues above any funding already included in the proposed Service Plan and Budget.

Issue	Reason
4.1 Acceleration of improved corporate capacity & capability for an integrated new community, established area and industrial area strategy	This will be fulfilled through a reallocation of existing budget within the City Planning & Policy service
4.2 Crime prevention through policing	\$20 million additional funding for 60 new officers is included in the recommended budget. Police Services supports the investment into Crime Prevention initiatives in which they will be collaborative partners and utilize existing resources to support.
4.3 Infrastructure gap	It is not possible to fully fund the existing infrastructure gap. The City will continue to monitor building asset condition and performance. Any imminent risk to public safety or performance will be addressed immediately. When a building poses an immediate public safety risk it is taken out of service and funds are sought or redistributed to deal with the immediate risk. Lifecycle and risk management plans will continue to be developed based on building condition analysis, resiliency principles and service criticality analysis. This will enable the prioritizing of asset and subcomponent investments.
4.4 Maintain 4 car trains	The recommended budget allows for the continuation of some 4 car train service. However, 46 cars are beyond their useful life and may be decommissioned during the four year period. This will result in a reduction of some or all four car service back to three depending on the number of cars retired.
4.5 Snow and Ice Control (SNIC)	\$9 million one-time is included in the recommended budget for the 2019 to 2020 winter season in addition to the already funded \$9 million for the 2018 to 2019 winter season; Administration will evaluate the success and bring back a recommendation for the mid-cycle adjustments.

# Appendix 1

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Business Cases for Council consideration with capital implications

INVESTMENT PACKAGE OPTION	
TOPIC	
<i>2.1 – Affordable Housing</i>	
OPPORTUNITY	
Through the Service Plan previews on 2018 September 5 (CPS2018-1018), Council provided comments and feedback around the direction of travel related to the Affordable Housing Service Plan & Budget. The issue of affordable housing was identified as an area for potential additional investment.	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The proposed Affordable Housing Capital Development Program for 2019-2022 focuses on City-owned affordable housing. The program includes:</p> <ul style="list-style-type: none"> <li>• Housing Lifecycle Maintenance: \$25.1 million</li> <li>• Affordable Housing Redevelopment (341 units): \$106.2 million</li> <li>• Increased Affordable Housing (37 units): \$9.3 million</li> <li>• *Silvera for Seniors Lifecycle Maintenance Program: \$9.5 million (Note: Civic Partner).</li> </ul> <p>These investments prioritize maintenance and regeneration of current affordable housing units to ensure health and safety of tenants.</p> <p>\$150.1 million is included in the recommended Capital investment for Affordable Housing. <i>Note: Capital investment includes leveraging of provincial and federal funds.</i></p>	
CONTRIBUTING SERVICES	
Affordable Housing	
INVESTMENT OPTION	
<p>In addition to the capital investment and associated strategies included in the proposed plan and budget, Administration has identified further investments in lifecycle maintenance that could support Council in achieving increases to service level. An additional \$4.9 million would be used to partially regenerate 34 units of residential housing in one of The City's historical buildings. A further \$12.3 million would address critical lifecycle maintenance repairs for affordable housing in the City-owned Community and City Partnership portfolios.</p> <p>For Council's consideration, Silvera for Seniors requested \$15.377 million for their Lifecycle Maintenance Program, leaving a capital funding shortfall of \$5.871 million. The gap between what was requested by Silvera for Seniors in operating funding and what is being recommended by Administration is \$361,000. See Civic Partners Investment Package Option for funding details on both capital and operating.</p>	



STRATEGIC ALIGNMENT								
<b>Council Directives:</b> <ul style="list-style-type: none"> <li>P4, P5</li> <li>N1, N5</li> <li>W2</li> </ul>								
<b>Other Plans &amp; Policies:</b> <ul style="list-style-type: none"> <li>Foundations for Home: Corporate Affordable Housing Strategy</li> <li>ImagineCALGARY (2007): Calgary's 100-year Vision – Target 20 and Target 21</li> <li>Municipal Development Plan (2009): City of Calgary's 60-year Strategic Direction</li> </ul>								
OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Affordable Housing)			(200)					
<b>TOTAL</b>			(200)					

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
403995	Heritage Housing Regen	Project	100	2,500	2,300			4,900
403995	Lifecycle Maintenance	AIP			6,150	6,150		12,300
<b>TOTAL CAPITAL INVESTMENT</b>			100	2,500	8,450	6,150		17,200
<b>Funding Sources:</b> <i>Including potentially taking other proposed Capital projects off the proposed list</i>								

INVESTMENT PACKAGE OPTION	
TOPIC	
<i>2.2 – Arts &amp; Culture (Capital)</i>	
OPPORTUNITY	
<p>Through the Service Plan previews on 2018 September 5 (CPS2018-1018) and 2018 September 17 (PFC2018-1038), Council provided comments and feedback around the direction of travel related to the Arts &amp; Culture Service Plan &amp; Budget. The broad issues arising from these conversations are:</p> <ul style="list-style-type: none"> <li>• Level of funding (specifically for CADA and Festival &amp; Events);</li> <li>• Clarity around how the investment is distributed between sub-services; and</li> <li>• Alignment to previous Council direction related to the service.</li> </ul> <p>On 2018 October 11, Council directed Administration to provide options for additional investment in the service, including additional investment in capital.</p>	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The 2019-2022 Arts &amp; Culture Service Plan &amp; Budget currently proposes an increased level of service and an increase in funding. This includes capital funding out of the Cultural MSI portfolio for Pumphouse theatre, Calgary Opera Arts and cultural hubs.</p> <p>\$24.674 million is included in the recommended Capital investment for the Arts &amp; Culture service.</p>	
CONTRIBUTING SERVICES	
<p>The service coordinates with other City of Calgary business units (e.g., Calgary Parks, Roads) and lines of services (e.g., Economic Development &amp; Tourism). Additionally, external partners contribute to the delivery of this service, including civic partners (i.e., CADA), short-term project partners (e.g., National Music Centre, cSPACE, Decidedly Jazz, Calgary Folk Music Festival), and community partners (e.g., Action dignity, Calgary Public and Catholic school boards).</p>	
INVESTMENT OPTION	
<p>The Millican Ogden Brownfield Site (MOBS) (formerly referred to as the Former Imperial Oil Refinery (FIOR) site) has been identified as a strong candidate for a future large-scale event site that could accommodate a minimum of 30,000 people. An additional investment of \$600,000 would fund a Program, Amenity Market Assessment, Master Plan and Concept Development.</p>	
STRATEGIC ALIGNMENT	
<p><b>Council Directives:</b></p> <ul style="list-style-type: none"> <li>• P2, P3</li> <li>• N2</li> <li>• H4</li> <li>• W5</li> </ul> <p><b>Other Plans &amp; Policies:</b></p> <ul style="list-style-type: none"> <li>• Green Line City Shaping Framework</li> <li>• Cultural Plan for Calgary</li> <li>• Festival and Event Policy</li> </ul>	

OPERATING FINANCIAL IMPACT								
Operating Budget Impact (000s). These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Arts & Culture Service								
<b>TOTAL</b>								

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
	Festival and Events Site – MOBS Preliminary Feasibility Analysis	Project		600				600
<b>TOTAL CAPITAL INVESTMENT</b>				600				600
<i>Funding Sources:</i>								

INVESTMENT PACKAGE OPTION	
TOPIC	
<i>2.3 – Better Citizen Engagement</i>	
OPPORTUNITY	
Council has expressed a need to improve the quality and scope of engagement at The City. The ability to evolve our current approach to meet the growing expectations of Council and citizens, will be limited significantly by the proposed elimination of capital dollars for this service, as well as a proposed reduction in our operating budget.	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The current 2019-2022 service plan and budget recommends:</p> <ul style="list-style-type: none"> <li>• Providing opportunities for citizen input on City initiatives/programs and quality of life; using that data to provide actionable insights to City decision makers; and collaborating with Administration to report back to citizens and stakeholders on how input was used.</li> <li>• Limited enhancement of research and engagement insights by providing summaries by service, Council Priority and community.</li> <li>• Increasing language access and translation.</li> </ul> <p>There is currently no recommended capital investment for this service (suggested projects were deemed non-essential in the capital prioritization process earlier this year).</p>	
CONTRIBUTING SERVICES	
All services contribute to the growing demand for this service; budget will be drawn from the Citizen Engagement & Insights service line.	
INVESTMENT OPTION	
<p>This enhancement would identify, pilot and operationalize new digital offerings that would complement in-person engagement and enable us to offer more intuitive engagement and expand reach to citizens through utilizing different platforms to gather input where people are already providing it. We expect to increase the percentage of citizens who feel that The City uses input from Calgarians to make decisions about City projects and services by approximately five percent. This differs from forecasts based on the current ALT-recommended funding, which anticipates this service experiencing a decline over the 2019-2022 cycle.</p> <p>The proposed enhancement to engagement digital offerings will require \$240K to be funded out of capital for platform selection and testing.</p>	
STRATEGIC ALIGNMENT	
<p>This service supports all Council Directives aligned with <i>A Well-Run City</i> (W1, W2, W3, W4, W5), as well as N4 under <i>A City of Safe and Inspiring Neighbourhoods</i>. Engagement is also utilized to provide public input into most, if not all, policies of Council and long-term City plans. Key long-term plans and policies affected include:</p> <ul style="list-style-type: none"> <li>• Engage Policy</li> <li>• Multilingual Communications and Engage Policy - Notice of Motion (C2018-0504)</li> <li>• Transparency and Accountability Policy</li> <li>• Issues Management Policy</li> <li>• Triple Bottom Line</li> <li>• Plain Language Policy</li> <li>• Calgary Corporate Accessibility Policy</li> <li>• Welcoming Community Policy</li> </ul>	
OPERATING FINANCIAL IMPACT	
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.	

	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Citizen Engagement & Insights)								
<b>TOTAL</b>								

ASSOCIATED CAPITAL INVESTMENT								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
411061	Engagement, Research and Analytics tools	Project	120	120	0	0	0	240
<b>TOTAL CAPITAL INVESTMENT</b>			120	120	0	0	0	240
<i>Funding Sources: n/a</i>								

INVESTMENT PACKAGE OPTION			
TOPIC			
<i>2.4 – Civic Partners and Community Partners (Capital)</i>			
OPPORTUNITY			
On September 17, as part of the service plan preview process, all Civic Partners with operating or capital funding proposed in the One Calgary budget presented to the Priorities and Finance Committee. During most presentations, there was discussion about lifecycle requirements to ensure the safety and effectiveness of the City-owned assets Civic Partners manage and operate through agreements with The City. On 2018 October 11, Council directed Administration to identify potential additional investments Civic Partners.			
PROPOSED 2019-2022 RECOMMENDATION			
Eleven Civic Partners manage and operate City-owned assets, or assets that fall under The City's responsibility to maintain, across five services. A capital investment of \$81.3 million is recommended in the 2019-2022 plans to support Civic Partners, with a focus on essential lifecycle projects. An additional \$19.4 million is recommended to support lifecycle maintenance for Community Associations and Social Recreation Organizations.			
CONTRIBUTING SERVICES			
The Civic Partners, Community Associations, and Social Recreation Organizations included in this package support the delivery of the following services Economic Development and Tourism, Library Services, Affordable Housing, Neighbourhood Supports, and Recreation Opportunities.			
INVESTMENT OPTION			
There is a \$47 million gap between the identified capital lifecycle requirements and the funding recommended by Administration for Council's consideration. The table below summarizes the shortfall by service and a detailed breakdown by Civic Partner is included in the Attachment 1.			
Service Line (in 000's)	Requested by Partners	Proposed 2019-2022 Recommendation	Funding Gap
Affordable Housing	15,377	9,506	5,871
Economic Development & Tourism*	62,930	37,159	25,771
Library Services	19,808	11,169	8,639
Neighbourhood Supports (CCG)**	26,040	19,367	6,673
Recreation Opportunities	23,500	23,500	-
<b>Total</b>	<b>147,655</b>	<b>100,701</b>	<b>46,954</b>
*Lifecycle funding is provided to Respool Sport Centre ( <i>Recreation Opportunities</i> ) through the Civic Partners Infrastructure Lifecycle Program.			
**The Neighbourhood Supports request is based on Administration's assessment of the Community Associations and Social Recreation Organizations lifecycle needs (Capital Conservation Grants) and not a request from these partners.			
STRATEGIC ALIGNMENT			
<b>Council Directives:</b> <ul style="list-style-type: none"> <li>P1, P2, P3, P4, P5</li> <li>N2</li> <li>H4, H5</li> </ul> <b>Other Plans &amp; Policies:</b> <ul style="list-style-type: none"> <li>Calgary in the New Economy: An updated economic strategy for Calgary</li> <li>Recreation Master Plan</li> <li>Sport for Life Policy</li> <li>A Cultural Plan for Calgary</li> <li>Corporate Affordable Housing Strategy</li> <li>City Centre Plan</li> </ul>			
ASSOCIATED CAPITAL INVESTMENT – SEE ATTACHMENT			

ATTACHMENT: CIVIC PARTNERS AND COMMUNITY PARTNERS ASSOCIATED CAPITAL INVESTMENT

**Civic Partner Capital Funding Summary**

October 31, 2018

in (\$000)'s

Item #	Service Line/Partner	Lifecycle (Y/N)	Request from Partner - Essential					Administration Recommendation					Funding Gap				
			2019	2020	2021	2022	Total	2019	2020	2021	2022	Total	2019	2020	2021	2022	Total
	<b>Affordable Housing</b>																
1	Silvera for Seniors - Lifecycle Maintenance Program	Y	4,758	4,817	3,188	2,614	15,377	2,716	2,716	2,716	1,358	9,506	2,042	2,101	472	1,256	5,871
	<b>Economic Development &amp; Tourism</b>																
2	Civic Partners Infrastructure Lifecycle Program	Y	8,860	6,598	6,515	5,736	27,709	6,280	4,690	4,590	3,609	19,169	2,580	1,908	1,925	2,127	8,540
3	Calgary Telus Convention Centre - Improvement Project	Y	9,277	10,804	6,150	6,000	32,231	3,750	3,750	3,750	3,750	15,000	5,527	7,054	2,400	2,250	17,231
4	Calgary Telus Convention Centre - MRR Reserve	Y	180	180	180	180	720	180	180	180	180	720	-	-	-	-	-
5	Heritage Park Society - Replacement of Wet Dock	Y	270	2,000	-	-	2,270	270	2,000			2,270	-	-	-	-	-
	Subtotal Economic Development & Tourism						62,930					37,159					25,771
	<b>Library Services</b>																
6	Library Lifecycle Plan	Y	4,457	5,337	4,977	5,037	19,808	2,024	3,174	3,619	2,352	11,169	2,433	2,163	1,358	2,685	8,639
	<b>Recreation Opportunities</b>																
7	Repsol Sport Centre Flood Resiliency Project	N	250	750	-	-	1,000	250	750	-	-	1,000	-	-	-	-	-
8	Vivo Expansion (Center for Healthier Generations)	N	7,000	7,000	8,500	-	22,500	7,000	7,000	8,500	-	22,500	-	-	-	-	-
	Subtotal Recreation Opportunities						23,500					23,500					-
	<b>Neighbourhood Supports</b>																
9	Capital Conservation Grant (CCG)	Y	6,900	6,500	6,500	6,140	26,040	2,767	5,534	5,533	5,533	19,367	4,133	966	967	607	6,673
<b>Total</b>			<b>147,655</b>					<b>100,701</b>					<b>46,954</b>				

INVESTMENT PACKAGE OPTION	
TOPIC	
2.5 – Maintain / Enhance Tree Canopy	
OPPORTUNITY	
Council's feedback in September 2018 was that the proposed Urban Forestry service level was not sufficient, particularly related to maintaining and enhancing the urban tree canopy.	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The currently proposed allocations for tree planting in 2019-22 include: \$3M in capital funding and \$1.4 in operating funding. This current funding level will allow The City to plant between 2,200 to 2,900 new trees per year. However, 3,500 new trees need to be planted per year to replace the number of trees typically lost to natural lifecycle. As a result, we are facing a decline in the urban canopy for 2019-22.</p> <p>To help address the current capital funding gap for lifecycle tree planting, Urban Forestry also received \$3.878M in one-time operating funding as part of One Calgary's <i>Impact of Capital Decisions on Service Plans &amp; Budgets</i> add package process. This \$3.878M will be used to remove an estimated 5,500 dead public trees in 2019-22 (trees at the end of their lifecycles that will not be replaced with new trees). The removal of the dead trees and their stumps will mitigate potential public safety hazards and a decline in community aesthetics.</p> <p>\$1.4M is included in the proposed Operating Service budgets for Urban Forestry to maintain the tree canopy. \$3M is included in the recommended Capital investment for Urban Forestry to maintain the tree canopy.</p>	
CONTRIBUTING SERVICES	
Urban Forestry	
INVESTMENT OPTION	
<p>In addition to the investment and associated strategies included in the proposed plan and budget, Administration has identified the following investment options that could support Council in achieving increases to service level.</p> <ol style="list-style-type: none"> <li>1) \$7.5M over four years in additional capital funding to plant 3,500 trees per year to <u>maintain</u> the size of our existing urban canopy (by replacing the number of public trees typically lost in a year to natural lifecycle decline).</li> <li>2) \$11.5M over four years in additional capital funding to plant 7,500 trees per year to <u>maintain</u> and <u>expand</u> the urban canopy.</li> </ol> <p>Expanding the canopy (the second option) would allow The City to stay on track to meet our long-term Municipal Development Plan target for the urban canopy. Given The City's capital constraints, the strategy for this option would involve planting smaller trees as opposed to the larger, hardened trees currently being planted. While it will take longer to grow these smaller trees over the coming decades, it will still grow the urban canopy for future generations of citizens to benefit from.</p> <p>Either of these investment options would eliminate the need for the proposed \$3.878M of one-time funding discussed above as the removal of dead trees and their stumps would be incorporated as costs related to replanting.</p>	



STRATEGIC ALIGNMENT								
<b>Council Directives:</b> <ul style="list-style-type: none"> <li>H1, H3, H4, H6</li> <li>N4</li> </ul> <b>Other Plans &amp; Policies:</b> <ul style="list-style-type: none"> <li>The Municipal Development Plan (MDP)</li> </ul>								
OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Urban Forestry)	(\$811)		(\$1,269)	\$105	(\$1,022)		(\$766)	
<b>TOTAL</b>								

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
3000644	Maintain the current urban canopy	Program	\$1,500	\$2,000	\$2,000	\$2,000	TBD	7,500
3000284	Maintain and grow the urban canopy	Program	\$2,500	\$3,000	\$3,000	\$3,000	TBD	11,500
<b>TOTAL CAPITAL INVESTMENT</b>								

INVESTMENT PACKAGE OPTION								
TOPIC								
<i>2.6.1 – Resolve more sidewalks and pathway links</i>								
OPPORTUNITY								
<p>In August 2016, Council approved the Pedestrian Strategy (Step Forward) per report TT2016-0013, which called for capital and operating funding to implement 49 improvement actions. One of the elements that is not included in Administration's recommended budget for 2019-2022 is the construction of missing sidewalk and pathway links (Step Forward actions 21 and 24). During the September 6, 2018 SPC on Transportation and Transit, the Committee expressed a desire for additional information around missing links.</p>								
PROPOSED 2019-2022 RECOMMENDATION								
<p>Administration's recommended budget for 2019-2022 includes full operating funding for Step Forward, and includes investments to improve pedestrian safety, accessibility, and education. Because of capital constraints, the recommended budget does not include funding to address missing links in the sidewalk and pathway network.</p> <p>\$0 is included in the proposed operating service budget for addressing missing links. \$4.3M has been included in the proposed sidewalks and pathways operating service budget for Step Forward</p> <p>\$0 is included in the recommended Capital investment for the Sidewalks &amp; Pathways service.</p>								
CONTRIBUTING SERVICES								
Sidewalks & Pathways								
INVESTMENT OPTION								
<p>This package, along with the Sidewalks &amp; Pathways <i>Pedestrian Strategy</i> package, will address the remaining short-term unfunded items identified in Step Forward that require capital funding. We will complete missing sidewalk connections supporting the MAX Orange (North Crosstown BRT) and MAX Teal (South Crosstown BRT) routes in 2019-2020, with identify additional project locations for 2021-2022. Approximately 23km of the highest priority pathway missing links would be completed, aligned with the Pathway and Bikeway Plan.</p> <p>Expected results include improvements to the safety and accessibility of the pedestrian network, and citizen satisfaction with sidewalks and pathways.</p>								
STRATEGIC ALIGNMENT								
<p>M1. M2. N1.</p> <p>Step Forward, Pathway and Bikeway Plan, Safer Mobility Plan. Calgary Transportation Plan 3.1, 3.2, 3.10, 3.11.</p>								
OPERATING FINANCIAL IMPACT								
Operating Budget Impact (000s). These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Sidewalks & Pathways		28		28		28		28
Net Budget (Service 2)								
<b>TOTAL</b>								

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
423080	Pathways and Trails Missing Links	Annual Investment Program	1,280	1,280	1,280	1,280		5,120
481400	Community Mobility Improvements - Sidewalks & Pathways	Program	1,970	1,970	1,970	1,970		7,880
<b>TOTAL CAPITAL INVESTMENT</b>			<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>		<b>13,000</b>
Funding options include:								
<ul style="list-style-type: none"> <li>423080: Gas Tax Grant, Pay-as-you go, Lifecycle Maintenance &amp; Upgrade Reserve</li> <li>481400: Gas Tax Grant, Pay-as-you go, Lifecycle Maintenance &amp; Upgrade Reserve</li> </ul>								

INVESTMENT PACKAGE OPTION								
TOPIC								
2.6.2 – Resolve more missing street links								
OPPORTUNITY								
During the Transportation & Transit SPC on Sep 6, 2018, Committee identified a gap in service in some communities where key street links were not included in the original community design and construction, and remain unresolved. These links would satisfy connectivity issues for developed communities that have a limited number of access points, and are not eligible to be funded through development funding models.								
PROPOSED 2019-2022 RECOMMENDATION								
Administration's recommended budget for 2019-2022 includes funding in program 481352-Dev Infrastructure – AD (\$37.9M) to support both new street links and other street infrastructure, however this program is specifically restricted to work in the 27 Actively Developing Communities. Because of capital constraints, the recommended budget does not include funding the construction of new street links in established residential and industrial communities.								
\$0 is included in the proposed Operating Service budgets for the Streets service \$37.9M is included in the recommended Capital investment for the Streets service								
CONTRIBUTING SERVICES								
Streets								
INVESTMENT OPTION								
There are a number of street missing links that would improve connectivity and community access. Nine priority options have been identified, and The City has already made commitments for four of these:								
<ul style="list-style-type: none"> <li>• 36 Street - 80 Ave to Airport Trail NE</li> <li>• 80 Ave - 36 Street to Metis Trail NE</li> <li>• 114 Ave SE - 52 St to 68 St SE</li> <li>• Country Hills BV NW (Rock Lake Estates Phase 5)</li> </ul>								
Building these street network links would substantially improve network connectivity.								
STRATEGIC ALIGNMENT								
M2. Calgary Transportation Plan 3.8.								
OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Streets				20		69		36
Net Budget (Service 2)								
<b>TOTAL</b>								

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
433095	Various Street Improvements	Program	2,750	7,700	4,000	1,500		15,950
<b>TOTAL CAPITAL INVESTMENT</b>								
Funding options include: Gas Tax Grant, Pay-as-you go, Lifecycle Maintenance & Upgrade Reserve.								

INVESTMENT PACKAGE OPTION								
TOPIC								
<i>2.7– Pedestrian Strategy</i>								
OPPORTUNITY								
<p>In August 2016, Council approved the Pedestrian Strategy (Step Forward) per report TT2016-0013, which called for capital and operating funding to implement 49 improvement actions. Some of the actions identified for 2019-2022 have been included in Administration's recommended budget, while others have been deferred to future budget cycles. During the September 6, 2018 SPC on Transportation and Transit, the Committee expressed a desire to know what elements of Step Forward are not being funded during 2019-2022.</p>								
PROPOSED 2019-2022 RECOMMENDATION								
<p>Administration's recommended budget for 2019-2022 supports full operating funding for Step Forward, plus capital funding in the <i>481400-Community Mobility Improvements (\$22.4M for Sidewalks &amp; Pathways, and \$7.6M for Streets)</i> which supports complete streets retrofits, new cycling corridors, placemaking projects, and community traffic calming improvements. Because of capital constraints, the recommended budget does not include funding for all of Step Forward's short-term actions that require capital funding.</p> <p>\$5.9M is included in the proposed Operating Service budgets for the Sidewalks &amp; Pathways service.  \$22.4M is included in the recommended Capital investment for the Sidewalks &amp; Pathways service.  \$7.6M is included in the recommended Capital investment for the Streets service.</p>								
CONTRIBUTING SERVICES								
Sidewalks & Pathways								
INVESTMENT OPTION								
<p>This package, along with the Sidewalks &amp; Pathways <i>Missing Links</i> package, will address the remaining short-term unfunded items identified in Step Forward that require capital funding, including Active and Safe Routes to School (action 38), pedestrian crossing improvements (action 10), missing pathway lighting (action 8), and data collection to support improved analysis and decision-making.</p> <p>Expected results include an increased number of children that walk to school (one of Step Forward's six key results), and positive impacts to the vulnerable user casualty collision rate and overall mode split.</p>								
STRATEGIC ALIGNMENT								
<p>M1. M2. N1.  Step Forward. Safer Mobility Plan. Calgary Transportation Plan 3.1, 3.2, 3.7, 3.10, 3.11.</p>								
OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Sidewalks & Pathways		50		50		50		50
Net Budget (Service 2)								
<b>TOTAL</b>								

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
481400	Comm Mobility Imp - Sidewalks	Program	2,030	2,030	2,030	2,030		8,120
432240	New Traffic Signals and Pedestrian Corridors	Annual Investment Program	500	500	500	500		2,000
432200	Streetlight – Upgrade and Maintenance	Annual Investment Program	180	180	180	180		720
481354	Concrete Rehabilitation	Annual Investment Program	540	540	540	540		2,160
<b>TOTAL CAPITAL INVESTMENT</b>			<b>3,250</b>	<b>3,250</b>	<b>3,250</b>	<b>3,250</b>		<b>13,000</b>
<b>Funding Sources:</b> <i>Including potentially taking other proposed Capital projects off the proposed list</i> Funding options include: <ul style="list-style-type: none"> <li>• 481400: Gas Tax Grant, Pay-as-you go, Lifecycle Maintenance &amp; Upgrade Reserve</li> <li>• 432240: Gas Tax Grant, Pay-as-you go</li> <li>• 432200: Gas Tax Grant, Pay-as-you go, Lifecycle Maintenance &amp; Upgrade Reserve</li> <li>• 481354: MSI Grant, Pay-as-you go, Lifecycle Maintenance &amp; Upgrade Reserve</li> </ul>								

## Appendix 2

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Business Cases for Council consideration with operating implications



INVESTMENT PACKAGE OPTION	
TOPIC	
<i>3.1 – Arts &amp; Culture (Operating)</i>	
OPPORTUNITY	
<p>Through the Service Plan previews on 2018 September 5 (CPS2018-1018) and 2018 September 17 (PFC2018-1038), Council provided comments and feedback around the direction of travel related to the Arts &amp; Culture Service Plan &amp; Budget. The broad issues arising from these conversations are:</p> <ul style="list-style-type: none"> <li>• Level of funding (specifically for CADA and Festival &amp; Events);</li> <li>• Clarity around how the investment is distributed between sub-services; and</li> <li>• Demonstrate alignment to previous Council direction related to the service.</li> </ul> <p>On 2018 October 11, Council directed Administration to provide options for additional investment in the service.</p>	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The 2019-2022 Arts &amp; Culture Service Plan &amp; Budget currently proposes an increased level of service and an increase in funding. The two key areas proposed for increased funding are the Calgary Arts Development Authority (CADA) Operating Grant (\$5,000,000 increase) and the base funding for the Festival and Event Subsidy Program (\$1,000,000 increase).</p> <p>An increase of \$7.36 million total is included in the proposed Operating Service budgets for the Arts &amp; Culture service.</p>	
CONTRIBUTING SERVICES	
<p>The service coordinates with other City of Calgary business units (e.g., Calgary Parks, Roads) and lines of services (e.g., Economic Development &amp; Tourism). Additionally, external partners contribute to the delivery of this service, including civic partners (i.e., CADA), short-term project partners (e.g., National Music Centre, cSPACE, Decidedly Jazz, Calgary Folk Music Festival), and community partners (e.g., Action dignity, Calgary Public and Catholic school boards).</p>	
INVESTMENT OPTION	
<p>In addition to the increased investment and associated strategies included in the proposed plan and budget, Administration has identified an additional \$564,000 in investment towards the Festival and Event Subsidy Program that would enhance The City's ability to maintain and potentially increase the number of City-supported festival and event days.</p> <p>For Council's consideration, CADA requested an increase of \$13.135 million to base funding, leaving a funding shortfall of \$8.135 million. Additional investment would allow for incremental progress to CADA's objectives. See Civic Partners Investment Package Option for funding details.</p>	

STRATEGIC ALIGNMENT								
<b>Council Directives:</b> <ul style="list-style-type: none"> <li>• P1, P2, P3</li> <li>• N1, N2</li> <li>• H4</li> <li>• W5</li> </ul> <b>Other Plans &amp; Policies:</b> <ul style="list-style-type: none"> <li>• Living a Creative Life: An Arts Development Strategy for Calgary</li> <li>• CADA's 2019 – 2022 Strategic Framework</li> <li>• A Cultural Plan for Calgary</li> </ul>								
OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Arts & Culture Service		\$564						
<b>TOTAL</b>		\$564						

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
<b>TOTAL CAPITAL INVESTMENT</b>								
<b>Funding Sources:</b> <i>Including potentially taking other proposed Capital projects off the proposed list</i>								

INVESTMENT PACKAGE OPTION	
TOPIC	
3.2 – Better Citizen Engagement – Option 1	
OPPORTUNITY	
Council has expressed a need to improve the quality and scope of engagement at The City. The ability to evolve our current approach to meet the growing expectations of Council and citizens, will be limited significantly by the proposed elimination of capital dollars for this service, as well as a proposed reduction in our operating budget.	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The current 2019-2022 service plan and budget recommends:</p> <ul style="list-style-type: none"> <li>• Providing opportunities for citizen input on City initiatives/programs and quality of life; using that data to provide actionable insights to City decision makers; and collaborating with Administration to report back to citizens and stakeholders on how input was used.</li> <li>• Limited enhancement of research and engagement insights by providing summaries by service, Council Priority and community.</li> <li>• Increasing language access and translation.</li> </ul> <p>The proposed operating service budget for this service is \$5.55M (2019), \$5.50M (2020), \$5.18M (2021), \$5.13M (2022).</p>	
CONTRIBUTING SERVICES	
All services contribute to the growing demand for this service; budget will be drawn from the Citizen Engagement & Insights service line.	
INVESTMENT OPTION	
<p>A community engagement function would expand the complement of Engagement staff in order to allow for capacity to liaise with the community (including Community Associations, business groups and communities of interest, as well as City partners) and have meaningful conversations with citizens on city-wide matters, quality of life, and the interests and concerns of each community.</p> <p>This option seeks to achieve this while maintaining existing service levels on project engagement immaterial of complexity and impact. As a result, three net new resources would be required to provide this function (funding for a fourth resource will be found through efficiencies).</p> <p>One additional FTE would provide focused and improved reporting and citizen-focused insights; this would be supported by the implementation and operation of a new tool to produce reports and the maintenance of the Engagement Portal at a projected cost of \$70K annually.</p>	
STRATEGIC ALIGNMENT	
<p>This service supports all Council Directives aligned with <i>A Well-Run City</i> (W1, W2, W3, W4, W5), as well as N4 under <i>A City of Safe and Inspiring Neighbourhoods</i>. Engagement is also utilized to provide public input into most, if not all, policies of Council and long-term City plans. Key long-term plans and policies affected include:</p> <ul style="list-style-type: none"> <li>• Engage Policy</li> <li>• Multilingual Communications and Engage Policy - Notice of Motion (C2018-0504)</li> <li>• Transparency and Accountability Policy</li> <li>• Issues Management Policy</li> <li>• Triple Bottom Line</li> <li>• Plain Language Policy</li> <li>• Calgary Corporate Accessibility Policy</li> <li>• Welcoming Community Policy</li> </ul>	

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OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Service 1)		430						
Net Budget (Service 2)								
<b>TOTAL</b>		430						

ASSOCIATED CAPITAL INVESTMENT								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
<b>TOTAL CAPITAL INVESTMENT</b>								
<i>Funding Sources: n/a</i>								

INVESTMENT PACKAGE OPTION	
TOPIC	
3.2 – Better Citizen Engagement – Option 2	
OPPORTUNITY	
Council has expressed a need to improve the quality and scope of engagement at The City. The ability to evolve our current approach to meet the growing expectations of Council and citizens will be limited significantly by the proposed elimination of capital dollars for this service, as well as a proposed reduction to the operating budget.	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The current 2019-2022 service plan and budget recommends:</p> <ul style="list-style-type: none"> <li>• Providing opportunities for citizen input on City initiatives/programs and quality of life; using that data to provide actionable insights to City decision makers; and collaborating with Administration to report back to citizens and stakeholders on how input was used.</li> <li>• Limited enhancement of research and engagement insights by providing summaries by service, Council Priority and community.</li> <li>• Increasing language access and translation.</li> </ul> <p>The proposed operating service budget for this service is \$5.55M (2019), \$5.50M (2020), \$5.18M (2021), \$5.13M (2022).</p>	
CONTRIBUTING SERVICES	
All services contribute to the growing demand for this service; budget will be drawn from the Citizen Engagement & Insights service line.	
INVESTMENT OPTION	
<p>A community engagement function would expand the complement of Engagement staff in order to allow for capacity to liaise with the community (including Community Associations, business groups and communities of interest, as well as City partners) and have meaningful conversations with citizens on city-wide matters, quality of life, and the interests and concerns of each community.</p> <p>This option seeks to achieve this by focusing project-level engagement on high impact, high complexity engagement. While four resources would be required to provide this function; these resources would be found through efficiencies and reducing service on low complexity and low impact engagement projects. Currently all projects, regardless of complexity and impact, receive custom strategies and tactics. This shift in resources from project to community-level engagement will result in the organization making decisions to reduce its efforts on lower complexity and public impact engagement.</p> <p>One additional FTE would provide focused and improved reporting and citizen-focused insights; this would be supported by the implementation and operation of a new tool to produce reports and the maintenance of the Engagement Portal at a projected cost of \$70K annually.</p>	
STRATEGIC ALIGNMENT	
<p>This service supports all Council Directives aligned with <i>A Well-Run City</i> (W1, W2, W3, W4, W5), as well as N4 under <i>A City of Safe and Inspiring Neighbourhoods</i>. Engagement is also utilized to provide public input into most, if not all, policies of Council and long-term City plans. Key long-term plans and policies affected include:</p> <ul style="list-style-type: none"> <li>• Engage Policy</li> <li>• Multilingual Communications and Engage Policy - Notice of Motion (C2018-0504)</li> <li>• Transparency and Accountability Policy (CC039)</li> <li>• Issues Management Policy</li> <li>• Triple Bottom Line</li> </ul>	

- Plain Language Policy
- Calgary Corporate Accessibility Policy
- Welcoming Community Policy

OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Citizen Engagement & Insights)		70						
Net Budget (Service 2)								
<b>TOTAL</b>		70						

ASSOCIATED CAPITAL INVESTMENT								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
<b>TOTAL CAPITAL INVESTMENT</b>								
<i>Funding Sources: n/a</i>								

INVESTMENT PACKAGE OPTION						
TOPIC						
<b>3.3 – Civic Partners (Operating)</b>						
OPPORTUNITY						
On September 17, as part of the service plan preview process, all Civic Partners with operating or capital funding proposed in the One Calgary budget presented to the Priorities and Finance Committee. During most presentations, there was discussion about challenges to the financial sustainability of these organization, particularly in the face of ongoing economic challenges, and legislative changes including minimum wage increases. On 2018 October 11, Council directed Administration to identify potential additional investments Civic Partners.						
PROPOSED 2019-2022 RECOMMENDATION						
A total of \$15.7 million in additional base operating funding is recommended for Civic Partners as part of eight service lines and \$50,000 in one-time funding. The proposed funding will support Civic Partners' ability to meet a minimum credible level.						
CONTRIBUTING SERVICES						
Civic Partners support the delivery of eight services: Economic Development and Tourism, Library Services, Affordable Housing, City Planning and Policy, Neighbourhood Supports, Parks and Open Spaces, Community Strategies, and Recreation Opportunities.						
INVESTMENT OPTION						
There is a funding gap between operating funding requested by Civic Partners (above the 2018 operating grants) and Administration's recommended additions. Attachment 1 provides a detailed breakdown for each Civic Partner within the service lines.						
Service Line (in 000's)	Additions Requested by Partner		Additions Recommended by Administration		Funding Gap	
	Base	One Time	Base	One Time	Base	One Time
Affordable Housing*	7,020	-	6,659	-	361	
Arts & Culture*	13,135	-	5,000	-	8,135	
Economic Development & Tourism	15,163	522	904	50	14,259	472
Library Services	2,800	-	2,800	-	-	-
City Planning & Policy	300	-	300	-	-	-
Parks and Open Spaces	400	-	-	-	400	
Recreation Opportunities	393	80	-	-	393	80
<b>Total</b>	<b>39,211</b>	<b>602</b>	<b>15,663</b>	<b>50</b>	<b>23,548</b>	<b>552</b>
* See Affordable Housing and Arts & Culture investment packages for Silvera for Seniors and Calgary Arts Development.						
STRATEGIC ALIGNMENT						
<b>Council Directives:</b> <ul style="list-style-type: none"> <li>P1, P2, P3, P4, P5</li> <li>N2</li> <li>H4, H5</li> </ul> <b>Other Plans &amp; Policies:</b> <ul style="list-style-type: none"> <li>Calgary in the New Economy: An updated economic strategy for Calgary</li> <li>Enough for All poverty reduction strategy</li> <li>Recreation Master Plan</li> <li>Sport for Life Policy</li> <li>A Cultural Plan for Calgary</li> <li>Corporate Affordable Housing Strategy</li> </ul>						

- City Centre Plan

OPERATING FINANCIAL IMPACT – SEE ATTACHMENT



ATTACHMENT: CIVIC PARTNERS OPERATING FINANCIAL IMPACT

**Civic Partner Operating Funding Summary**

October 31, 2018  
in (\$000)'s

Item #	Service Line/Partner	2018 Grant **	Request from Partner			Administration Recommendation (Minimum Credible Level)			Funding Gap	Notes
			Base	One Time	2022 Grant**	Base	One Time	2022 Grant**		
	<b>Affordable Housing</b>									
1	<i>Silvera for Seniors</i>	1,365	7,020	-	8,385	6,659	-	8,024	361	To meet operating and legislative requirements including appropriate staffing ratios.
	<b>Arts &amp; Culture</b>									
2	<i>Calgary Arts Development Authority Ltd. (CADA)</i>	6,400	13,135	-	19,535	5,000	-	11,400	8,135	Support sector sustainability including Cornerstone Arts organizations (Implementation of the Sustainability Framework)
	<b>City Planning &amp; Policy</b>									
3	<i>Calgary Heritage Authority</i>	50	300	-	350	300	-	350	-	Base budget of \$150K added in 2019, additional base of 150K in 2020.
	<b>Economic Development &amp; Tourism</b>									
4	<i>Aerospace Museum Association of Calgary</i>	250	175	50	425	175	50	425	-	Hire curator for the collection. Marketing, promotion, and programs to mark the arrival of the Hurricane airplane.
5	<i>Calgary Economic Development Ltd.</i>	5,809	5,238	-	11,047	238	-	6,047	5,000	Continue accelerated implementation of the Economic Strategy, meet growing demand, and remain sustainable.
6	<i>Calgary Heritage Park</i>	3,114	491	-	3,605	491	-	3,605	-	To support effective operations and replace revenue impacts, and to provides some operational stability.
7	<i>Calgary Centre for Performing Arts</i>	2,565	233	-	2,798	-	-	2,565	233	Requested inflation to support sustainability of resident companies and increase opportunities for engagement in the arts.
8	<i>Calgary Technologies Inc.</i>	829	400	-	1,229	-	-	829	400	To support transition to delivery of programs at a new innovation hub under development in the East Village (Platform).
9	<i>Calgary Convention Centre Authority*</i>	1,760	-	-	1,760	-	-	1,760	-	
10	<i>Calgary Science Centre Society</i>	2,213	-	472	2,213	-	-	2,213	472	Requested funding for lifecycle projects (one time).
11	<i>Fort Calgary Preservation Society</i>	1,147	-	-	1,147	-	-	1,147	-	
12	<i>Calgary Zoological Society</i>	8,296	1,426	-	9,722	-	-	8,296	1,426	Expand programming including Zoolights and school programs.
13	<i>Tourism Calgary Convention and Visitors Bureau</i>	2,812	7,200	-	10,012	-	-	2,812	7,200	Increased tourism marketing and services for visitors and support ability to bid on more large sports and cultural events.
	<i>Subtotal Economic Development &amp; Tourism</i>	28,795	15,163	522	43,958	904	50	29,699	14,731	
	<b>Library Services</b>									
14	<i>Calgary Public Library Board</i>	53,750	2,800	-	56,550	2,800	-	56,550	-	To meet base operating costs without reducing service.
	<b>Parks &amp; Open Spaces</b>									
15	<i>Parks Foundation, Calgary</i>	-	400	-	400	-	-	-	400	For two purposes: Organizational support to ensure core programs are sustainable, and new major project support
	<b>Recreation Opportunities</b>									
16	<i>Lindsay Park Sport Society</i>	1,399	176	-	1,575	-	-	1,399	176	Requested inflation to support sustainable operations.
17	<i>Calgary Sport Council Society</i>	462	217	80	679	-	-	462	297	Increase activities and programs, including changes related to implementing the Sport for Life Policy.
	<i>Subtotal Recreation Opportunities</i>	1,861	393	80	2,254	-	-	1,861	473	
<b>Total</b>		<b>92,221</b>	<b>39,211</b>	<b>602</b>	<b>131,432</b>	<b>15,663</b>	<b>50</b>	<b>107,884</b>	<b>24,100</b>	

\* Convention Centre Authority amount exclude debt and transfer to reserve budget.

\*\* 2018 and 2022 grant amounts are excluding one-time

Please note: The identified funding gap does not include the additional request for Heritage Park presented in Attachment 5.

INVESTMENT PACKAGE OPTION	
TOPIC	
3.4 – Crime Prevention through social development and environmental design	
OPPORTUNITY	
On 2018 October 11, Council directed Administration identify potential investments related to <b>6b Crime prevention through social development – safety</b> and <b>6c Crime prevention through environment design (CPTED)</b> .	
PROPOSED 2019-2022 RECOMMENDATION	
<p>The current proposed allocation for crime prevention through social development and environmental design includes sufficient funding for:</p> <ul style="list-style-type: none"> <li>• Bylaw Education &amp; Compliance and Parks &amp; Open Spaces to maintain the Joint Encampment Team (JET) Program at a minimum credible level of service ensuring homeless occupants are referred to social resources that address their root causes of homelessness, and encampment site remediation.</li> <li>• Social Programs to maintain a minimum credible level of service to deliver crime prevention programs for early intervention and crime prevention programs for at-risk children and youth to achieve crime prevention through social development.</li> <li>• Corporate Security to maintain a credible level of service within the scope of its current CPTED program. This includes addressing critical infrastructure, which require proactive threat risk assessments.</li> </ul> <p>\$0 is included in the proposed Operating Service budgets for Bylaw Education and Compliance to maintain the JET Program            \$0 is included in the proposed Operating Service budgets for Parks and Open Spaces to maintain site remediation for the JET Program            \$2.4M is included in the proposed Operating Service budgets for Social Programs to maintain crime prevention programs            \$4.24M is included in the proposed Operating Service budgets for Corporate Security to maintain crime prevention through environmental design</p> <p><i>Note: JET received onetime funding in 2018 to initiate the program. To maintain the program at a minimum credible level of service these activities will be absorbed by existing staff.</i></p>	
CONTRIBUTING SERVICES	
<p><b>Primary:</b> Bylaw Education &amp; Compliance, Parks and Open Spaces, Social Programs, Corporate Security, City Planning and Policy,</p> <p><b>Secondary:</b> Arts and Culture, Community Strategies, Development Approvals, Economic Development &amp; Tourism, Fire Emergency &amp; Response, Legal Counsel and Advocacy, Insurance and Claims, , Police Services, Public Transit, Recreational Opportunities, Sidewalks and Pathways, Streets, Storm Water, and Waste &amp; Recycling.</p>	
INVESTMENT OPTION	
<p>In addition to the investment and associated strategies included in the proposed plan and budget, Administration has identified the following investment options that could support Council in achieving increases to service level for crime prevention.</p> <ol style="list-style-type: none"> <li>1. \$0.62M in Bylaw Education &amp; Compliance base budget to sustain the JET program. This program addresses illegal encampments, enhances social wellbeing, and makes communities safer.</li> <li>2. \$0.13M in Parks &amp; Open Spaces base budget to complete site remediation for the JET program</li> <li>3. \$0.25M in Social Programs base budget to enhance the service delivery of youth crime prevention programs</li> <li>4. \$0.32 M in Corporate Security base budget to provide proactive CPTED reviews to be completed in City parks, open spaces and new development.</li> </ol> <p>To improve public safety, we will address opportunities for criminal activity through proactive CPTED policy guidance and implementation in planning, urban design, development permit applications, and design of City facilities and parks. In addition, by establishing the JET programs an ongoing program, encampment occupants are directed to social agencies to support their health and resource concerns, promoting social resilience and engaging at-risk individuals. Furthermore, site remediation deters future encampments, thereby reducing associated crimes. By preventing youth involvement in the</p>	

Justice System, we are able to increase the likelihood of their positive participation in civic life through increased access to programs and services.

#### STRATEGIC ALIGNMENT

**Council Directives:** P4, N1, N4, M1, M3, H4, W2, W4, W5

**Other Plans & Policies:** Enough For All Poverty Reduction Strategy, White Goose Flying

#### OPERATING FINANCIAL IMPACT

**Operating Budget Impact (000s).** These figures are incremental to net budget.

	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Corporate Security)		320						
Net Budget (Bylaw Education and Compliance)		620						
Net Budget (Parks and Open Spaces)		130						
Net Budget (Social Programs)		250						
<b>TOTAL</b>		1,320						

#### ASSOCIATED CAPITAL INVESTMENT

*List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.*

Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
<b>TOTAL CAPITAL INVESTMENT</b>								

*Funding Sources:*

INVESTMENT PACKAGE OPTION								
TOPIC								
<i>3.5 – Sustainable funding strategy for Low Income Transit</i>								
OPPORTUNITY								
<p>In 2016, administration transitioned the Low Income Transit Pass Program to a sliding payment scale program using provincial support. This program has seen tremendous uptake, but that has also lead to a revenue gap. During the September 6, 2018 SPC on Transportation and Transit, Committee asked the Public Transit service to produce a strategy to fund the sliding scale program that addresses the revenue gap arising from implementation of this program.</p>								
PROPOSED 2019-2022 RECOMMENDATION								
<p>Public Transit will receive a funding of \$4.5 M from the Province to support the sliding scale program in 2019. In addition, to cover the gap in revenues arising from this program, an additional one-time \$6 M of funding has been included in the proposed 2019-22 investment in Public Transit. This funding will allow the current sliding scale program to continue in 2019.</p> <p>\$6 M is included in the proposed Operating Service budgets for Public Transit service.</p>								
CONTRIBUTING SERVICES								
<b>Public Transit Service</b>								
INVESTMENT OPTION								
<p>Calgary Transit will work with Calgary Neighbourhoods in 2019 to identify the magnitude of the Provincial support beyond 2019 (the final year of a 3-year commitment of \$4.5 M per year). A total of approximately \$10.5M will be required 2020 onwards as a base adjustment from a combination of provincial funding and/or tax support.</p> <p>This funding is required to ensure that low income Calgarians have affordable access to transit service through Sliding Scale program.</p>								
STRATEGIC ALIGNMENT								
<p>Investments included in this package will help Calgarians that struggle with housing, income and food instability through continuation of sliding scale program contributing to Council priority of “A Prosperous City”. These investments directly link with providing mobility options to Calgarians and contributes to Council Directive of “A City that Moves” providing affordable transportation to vulnerable Calgarians.</p>								
OPERATING FINANCIAL IMPACT								
<b>Operating Budget Impact (000s).</b> These figures are incremental to net budget.								
	2019		2020		2021		2022	
	One time	Base	One time	Base	One time	Base	One time	Base
Net Budget (Public Transit Service)				\$10,500				
<b>TOTAL</b>				\$10,500				

ASSOCIATED CAPITAL INVESTMENT								
<i>List of the capital investments required for this investment. Refer to attachment 10 Recommended Capital Investments for additional information.</i>								
Activity	Description	Annual Investment Program, Project or Program	2019 (000's)	2020 (000's)	2021 (000's)	2022 (000's)	2023 (000's)	Total REQUEST (000's)
<b>TOTAL CAPITAL INVESTMENT</b>								
<i>Funding Sources:</i>								