



NAHEED K. NENSHI, MAYOR

July 27, 2016

The Honourable Bill Morneau  
Minister of Finance  
Government of Canada  
House of Commons  
Ottawa, Ontario K1A 0A6

The Honourable Wayne Easter  
Chair, Standing Committee on Finance  
Government of Canada  
House of Commons  
Ottawa, Ontario K1A 0A6

Dear Minister ~~Morneau~~ <sup>Bill!</sup> and Chairperson ~~Easter~~ <sup>Wayne!</sup>,

I am pleased to present you with The City of Calgary's submission to the Government of Canada's 2017 pre-budget consultation.

The City of Calgary (the "City") welcomed the \$120 billion in infrastructure funding announced in the 2016 federal budget. Unfortunately, a significant portion of this announced funding is yet to be allocated and further clarity is needed on how and when municipalities can access these critical funds. Municipalities are well positioned to leverage our local capacity and capabilities to quickly deliver on high-quality public infrastructure. Getting this previously promised infrastructure funding to Calgary and other municipalities as quickly as possible would allow communities across Canada to be meaningful partners in building public transit, and social and green infrastructure that will help maximize Canadians' contribution to the country's economic growth and assist the expansion and prosperity of the Canadian business community.

We are very appreciative of the Phase 1 funding from the Public Transit Infrastructure Fund (PTIF), which The City plans to use for a variety of projects that will help expand Calgarians' ability to access safe and efficient rapid transit. We understand that criteria for the remaining Phase 1 infrastructure funding from Budget 2016 have generally been established and will be managed through bilateral agreements with provinces. We look forward to continuing to work with the Government of Canada and the Government of Alberta to advance this vital funding and get building underway.

The City appreciates the opportunity provided by the Government of Canada, through the Minister of Infrastructure and Communities, to provide input into how Phase 2 infrastructure funds from Budget 2016 will be allocated. The City believes that Phase 2 should be designed to fund the municipal projects that are most strongly aligned to federal priorities and proposes five criteria to ensure that this is achieved: 1) reduce carbon use and improve adaptive capacity, 2) enhance quality and reliability of our systems, 3) strengthen the local economy, 4) build a stronger community, and 5) improve affordability and accessibility. Along with these criteria, Calgary suggests that cities proposing transformative and

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innovative projects be eligible to receive bonus funding. This proposed approach to funding, through the five criteria and bonus innovation factor, will build cutting edge public transit as well as social and green infrastructure projects for Canadians.


Affordable housing is one of the positive outcomes that can be achieved through this enhanced federal-municipal partnership on social infrastructure. While The City welcomes the Government of Canada's investment and the commitments announced in Budget 2016 for affordable housing, Calgary requires additional government consideration as The City's total non-market housing stock is just three per cent compared to the Canadian average of six per cent. Calgary's role as an economic engine for Canada further intensifies the need for affordable housing as the city continues to attract migrants. Calgary is expected to experience an increase in demand for affordable housing in 2017 as federal funding support for Syrian refugees is reduced and our population continues to grow. The policy work that is happening in parallel to the conversation on social infrastructure is also important to our city. We look forward to participating in the current engagement on the National Affordable Housing Strategy and working with the Government of Canada to revise federal and provincial operating agreements to create a more financially sustainable funding model for housing to serve those most in need.

Green infrastructure projects also provide an opportunity for Calgary and other municipalities to partner with the Government of Canada on climate change and resiliency priorities. The City is embarking on a robust Corporate and city-wide commitment to address climate change through carbon reduction and adaptation. The City eagerly awaits the federal funding for green infrastructure that can help Calgary reach its climate change goals, as well as continued support for flood resiliency that supports The City's approach to adaptive capacity and resilient water infrastructure. The City looks forward to hearing the results of the Government of Canada's consultation on climate change and learning the details of federal action on this issue.

Beyond the many opportunities available for The City and the Government of Canada to partner on public transit along with social and green infrastructure, there is also opportunity to align efforts that support our most vulnerable citizens. The City would welcome a federal contribution to support municipally subsidized services, such as transit and recreation, which allow financially vulnerable Calgarians to have better access to City services, greater participation in their community and more income to spend on other necessities. Poverty continues to be a pressing social and economic issue, with 10 per cent of Calgarians living on a low income, thereby increasing financial vulnerability in Calgary which has grown due to the economic downturn. The Government of Alberta recently announced a funding commitment of \$13.5 million over three years for enhancements to the transit low income subsidy program. However, the collective involvement of all orders of government would allow for a more robust and comprehensive program.

The City welcomes the opportunity to partner with the Government of Canada to achieve its bold vision for building the critical public transit, social and green infrastructure our country needs. If you have questions or require further information, please contact me at your convenience.

Yours truly,

  
Naheed K. Nenshi  
MAYOR

*Thank you for your consideration and  
your service to Canada!*

cc: Calgary City Council  
Jeff Fielding, City Manager