



**Calgary**

Jyoti Gondek, Mayor

January 17, 2022

The Right Honourable Justin Trudeau, Prime Minister of Canada  
Office of the Prime Minister of Canada  
80 Wellington Street  
Ottawa, ON K1A 0A2

Dear Prime Minister,

The City of Calgary is in the midst of a period of great change. Like every major city in Canada, we have been tremendously impacted by the challenges of COVID-19, but we are weathering these challenges thanks, in no small part, to the quick actions of your government for our individual citizens and the City of Calgary itself.

But unlike most cities in Canada, Calgary is facing a dramatic shift from a carbon intense industry base to a new set of clean technology, alternative energy and other non-traditional industries. As a City, we are optimistic about these changes, but we are realistic about the gap between our aspirations and reality. On November 15<sup>th</sup> of last year, Calgary City Council voted to declare a Climate Emergency putting our city on record in supporting emergency action in response to climate change and recognizing the pace and scale of action needed to achieve our net zero emissions goal by 2050.

High unemployment, significant wage reduction and underemployment continue to plague our city while we suffer dramatic shortages in labour in other industries.

We need to manage these changes and to do so we need the direct support of the Government of Canada.

The projects below have been balanced for their ability to create Social, Climate and Economic Resilience in our community. We feel they match with your priorities as a government where you, together with Ministers Freeland, Leblanc and Hussen, have allocated funds to make significant impact for Canadians.

Our priorities are transit, housing and revitalizing our downtown. Simply put, for Calgary to recover, these projects must succeed.

### **Investing in Transit**

#### 1.) Electrification of city bus fleet

Calgary Transit currently has 353 of its diesel buses due for lifecycle replacement. The City has committed to replacing 75 of these buses with compressed natural gas however, the remaining 278 units could be replaced by battery electric buses and the supporting charging infrastructure at the City's existing bus facilities.

*Action: Commit funds (\$475 million), drawn from a combination of existing Government of Canada programs including the \$2.75 billion Zero-Emission Transit Fund, the \$1.5 billion commitment to transit electrification in the Canada Infrastructure Bank's three-year growth plan and enabling municipalities to access other zero-emission vehicle incentives currently reserved for the private sector to furnish smaller vehicles in the municipal*

*transit fleet. The City of Calgary is working with the Canadian Infrastructure Bank to achieve part of our goals.*

## 2.) Extensions to the Green Line

The Green Line is the City of Calgary's next light rail transit line and the largest infrastructure investment in the City's history. Stage 1 of the project is underway which includes the first 20km of the 46km line and comes with \$4.9 billion in existing commitments from the Government of Canada, Government of Alberta and the City of Calgary. The completion of this line would encourage redevelopment and investment opportunities while providing fast, frequent, and reliable transit services to communities, employment hubs, tourist destinations and essential services with our city.

*Action: Begin discussions to fund the remaining \$7 billion to complete the project with Federal, Provincial and Civic commitments. A portion of the \$14.9 billion Permanent Transit Fund could be deployed towards this project including changes that enable Calgary to use that funding to not only purchase land for the Green Line but for supporting uses such as affordable housing near to transit.*

## 3.) Rapid Transit – Airport Link

Airport Trail is a vital transportation corridor running east-west across north central Calgary and is a significant part of the city's primary goods movement and transit network. It provides access to and from the YYC Calgary International Airport and connects to communities and commercial areas in northeast Calgary, a major contributor to our economy. Significant improvement to the corridor has been undertaken including roadway expansion, tunneling and interchange construction. However, a transit link to the existing light rail system is missing. The addition of a rapid transit link along this corridor would efficiently move passengers to and from the YYC Calgary International Airport to local communities, employment and destinations throughout the city.

*Action: Assist the City of Calgary with accessing funds from the Canadian Infrastructure Bank to achieve this project with a public private partnership and/or commit a portion of the recent reinvestment in the National Trade Corridors Fund intended to improve the flow of goods and people in Canada.*

## **Affordable Housing**

Calgary is pleased to have secured \$55 million in federal grants through the Rapid Housing Initiative and can expect to see 320 new affordable units be built by the end of 2022 as a direct result of this investment. While positive, Calgary is still disadvantaged as we have received 2.2% of the overall funding despite being home to 4% of the nation's population and 8% of Canadians experiencing homelessness. We also continue to see an overrepresentation of Indigenous Calgarians in our unhoused population, and we require greater resources to ensure we are providing wraparound services that support housing options.

As part of Calgary's Greater Downtown Plan, Calgary City Council has made an investment of \$100 million to support the conversions of empty office towers to residential units. While this initial investment focuses on office-to-residential conversion projects, subsequent phases of this program are intended to support office conversions for other adaptive uses. Further support from the Government of Canada would increase the number of conversions and support the creation of housing units in Calgary's downtown.

*Action: The Government of Canada leverage the \$100 million invested in housing by the City of Calgary over the past 18 months with a matching investment of its own. This could include a commitment of \$100 million from the new Housing Accelerator Fund, and through immediate and much needed program changes to unlock the Co-Investment Fund.*

## **Downtown Revitalization**

Calgary's downtown is the economic and cultural heart of our city, our central hub for business, innovation and creativity. Due to changes in the energy industry, the ongoing pandemic and changes in how/where people work, Calgary's downtown is facing prolonged economic challenges.

Calgary's Greater Downtown Plan is a strategy that capitalizes on opportunities to create jobs, drive economic recovery, revitalize, and transform while focusing on building a place that is the bustling center of commerce and a 24/7 destination. The Plan is supported by a \$262 million initial investment by the City of Calgary focused on the lowering of office vacancy, improving downtown vibrancy, and supporting the development of thriving neighborhoods that attract residents, visitors and talent for downtown's businesses.

*Action: In support of Calgary's downtown revitalization, The City is calling on the Government of Canada to commit a significant portion of the \$600 million commitment to an Office Conversion Program to invest in the City's own \$100 million program, developed in consultation with stakeholders and is already oversubscribed.*

### 1.) Economic Zone Revitalization – Stephen Avenue

Stephen Avenue is Calgary's iconic downtown main street; a vital part of working and living in downtown. A 21<sup>st</sup> century street, Stephen Avenue links Calgary's walkable urban core to its neighborhoods through a great public realm that is active day and night throughout the year. It is a catalyst for a resilient economy, enabling adaptation towards Calgary's future as a premier destination. Stephen Avenue fosters social interaction, gathering, and community pride while being Calgary's main connector to arts, culture and commerce.

### 2.) Social Gathering Place – Olympic Plaza

A legacy to the 1988 Winter Olympics and the living room to Calgary City Hall and the Arts Commons, Calgary's home for the performing and visual arts; this space has the opportunity to evolve with the changing needs of our growing city. The plaza will serve as an attraction, destination and safe place for all who visit, live and work in the downtown. It will serve as a gateway to the re-imagined Stephen Avenue and leverages previous investments made towards the transformation of the Arts Commons to which the Government of Canada made an \$80 million dollar contribution.

*Action for items 1 & 2: The Government of Canada match the City of Calgary's investment in revitalizing our Downtown core with an additional investment of \$91 million (\$70 million for Stephen Avenue and \$21 million for Olympic Plaza). The City believes this matching investment in the transformation of these vital pedestrian corridors and gathering places could be sensibly drawn from a combination of the \$500 million Canada Community Infrastructure Fund as well as the \$400 million Active Transportation Fund.*

### 3.) Grand Central Station

Calgary's downtown Culture and Entertainment District is envisioned to be a vibrant, high-density, mixed-use community that draws on the spirit of entertainment defining Calgary as a hub for the arts, sports and business. The area presents a unique opportunity as the existing light rail transit lines, forthcoming Green Line light rail transit, Banff to Calgary rail and the Calgary to Edmonton high speed rail are anticipated to converge at this location. The area is also adjacent to the confluence of the iconic Elbow and Bow Rivers as well as Fort Calgary, a place of historical significance and future home to an Indigenous place of gathering.

There is a significant opportunity to capitalize on this convergence to create Grand Central Station, a gateway into the heart of the City. This rail hub will also act as a catalyst for future growth in near proximity to the station and within the downtown Culture and Entertainment District.

*Action: Begin discussion to fund this \$250 million project with Federal, Provincial and Civic commitments, and pledge an investment from existing Government of Canada funding streams with parallel goals, including the National Trade Corridors Fund and the Canada Community Building Fund. The City would also like the Government of Canada to enable The City to access a portion of the recently announced \$2 billion Futures Fund for projects such as this, intended to transform a downtown once reliant on the energy sector into a space that attracts new investment to spur local economic diversification*

#### 4.) Calgary Event Centre

Calgary's Event Centre will be a dramatic landmark addition to the city's downtown Culture and Entertainment District. More than a world-class venue for an array of sporting and entertainment events, the Event Centre project will deliver enhancements to the surrounding area including multipurpose and outdoor festival spaces along with accessible streetscapes that are welcoming to all. The facility will act as a catalyst, drawing additional investment into the downtown Culture and Entertainment District and surrounding areas.

*Action: The Government of Canada work with the City of Calgary and the Canada Infrastructure Bank to provide access to capital for up to \$400 million.*

These projects have been brought forward due to their ability to create social, climate and economic resilience in our City matching key priorities for both our governments. Undoubtedly, they will aid in the recovery of our economy and create valuable jobs in our city while leveraging previous investments made by our governments. These projects also have the innate ability to attract significant investment from the private sector, bolstering our economy and setting us up for success moving forward.

With many of these projects shovel ready, further discussion around public and private partnerships is needed to advance them forward, together with the Canada Infrastructure Bank. We welcome the opportunity to discuss these initiatives with you at your earliest convenience.

Sincerely,



Mayor Jyoti Gondek