



Calgary

Jyoti Gondek, Mayor

May 20, 2022

The Honourable Dominic LeBlanc, P.C.
Minister of Intergovernmental Affairs, Infrastructure and Communities
180 Kent Street, Suite 1100
Ottawa, ON K1P 0B6

Dear Minister LeBlanc,

It was a pleasure to meet with you here in Calgary earlier this month. While I expect we will have many opportunities to continue our conversation, and hope to see you in Regina in June, I am writing today with a follow-up on urgent matter. Left unaddressed, it will have significant implications for our shared priorities related to economic growth and job creation, climate change, and the timely creation of affordable housing supply.

Specifically, I am looking for your help to secure a timely approval of the Calgary's Green Line LRT Business Case, including the front-loading of the federal contribution, by Treasury Board. Following a very collaborative exercise between the Green Line team and officials in your department, I am under the impression that this submission is currently with the Treasury Board Secretariat for review, but may face a delay in going before the Board itself.

While appreciative of the range and significance of issues competing for Cabinet's attention, it is imperative for both The City and the Government of Canada that this decision be taken before the end of June. With the release of the Request for Qualifications (RFQ) on March 31, 2022, the project is now in active procurement. Confirmation that the business case and funding are approved prior to issuing the Request for Proposals is critical. Such a delay would be problematic for its own sake, but also for the potential reputational damage it could do with the market and future procurement. This poses unacceptable risks to local and national priorities.

I also want to comment briefly on the importance of our shared proposal to front-load the federal contribution to this project to offset the provincial decision to “back-end” their own contribution. Despite its own economic and fiscal challenges, The City of Calgary’s own funding commitment has never wavered. By the end of 2022, The City will have invested an anticipated \$534.5M and will continue to deliver its annual commitment going forward. But The City cannot afford to step into the remaining space. With our relatively limited borrowing power, it would cost The City \$65M in additional borrowing costs to front the missing share. These additional costs would have to come at the expense of other capital priorities, including investments in housing.

We do appreciate the novelty of the proposal, but also believe it consistent with the Government of Canada’s commitment to municipalities and place-based decision-making. Framed within those commitments, the Government of Canada could avoid establishing a precedent with reference to the economic and political context facing municipalities in Alberta.

Thank you for your attention to this important matter of mutual interest. I know that our officials have been in regular communication and the above rationale has been shared with your Deputy Minister. But if there is any further information I can provide to help you make the case for timely approval at Treasury Board, please don’t hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to be 'Jyoti Gondek', written in a cursive style.

Mayor Jyoti Gondek