



The Honourable
Amarjeet Sohi
Mayor of Edmonton

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Reference No.:

The Honourable [Danielle Smith](#)
Premier of Alberta
307 Legislature Building
10800-97 Avenue NW
Edmonton, AB T5K 2B6

The Honourable [Travis Toews](#)
Minister of Finance
208 Legislature Building
10800 - 97 Avenue NW
Edmonton, AB T5K 2B6

Dear Premier Smith and Minister Toews:

On behalf of Edmonton's City Council, I am pleased to provide our submission for the 2023 provincial budget. I appreciate your commitment to renewing the provincial-municipal relationship and making life more affordable for Albertans and hope that the upcoming provincial budget will reflect this important commitment.

Our City is prepared to work with the Government of Alberta to take action on our shared priorities - reducing red tape, addressing the affordability crisis, tackling core social issues, tackling climate change, and advancing reconciliation with our Indigenous partners - all while building a more robust economy. Working together we can unleash the vast potential of our City as an economic engine, a hub for arts and culture, an innovator, and a leader.

I'd like to begin by stating that Alberta's capital city must be funded appropriately as we are home to one-quarter of our province's population, a service hub for a strong capital region and we significantly contribute to Alberta's overall economic, social and cultural prosperity. One way to address the affordability crisis is to adequately fund municipalities so that they can continue to provide excellent services that residents rely on and provide relief to struggling community members. To further support these efforts, I am asking the Government of Alberta to restore funds that were promised to the City of Edmonton through the Municipal Sustainability Initiative that we have yet to receive. From 2007 to 2024, the City was expecting to receive close to \$4.2 billion in MSI funding (including its replacement from 2022 to 2024). However, based on payments to date and estimated funding as a result of the Government of Alberta's 2021 budget, the City now anticipates receiving \$3.8 billion since MSI began, which is \$400.2 million less than anticipated. We understand that the program was scaled back to address fiscal realities. Now that the Government of Alberta has succeeded in balancing its books, we would greatly appreciate this amount being given back on a one-time basis as it would directly support affordability for Edmontonians.



In 2019, the Government of Alberta started scaling back the full property tax payment to the City of Edmonton on provincial properties. I am asking that the Government of Alberta restore this full payment of taxes on provincial properties. Although this would be a small investment of \$13 to \$14 million for the Government of Alberta, it would be greatly appreciated by Edmontonians to support affordability and equitable treatment.

Additional work with municipalities to ensure fiscal sustainability through the Local Government Fiscal Framework and through well-structured long-term grants that reflect inflationary pressures will also go a long way in ensuring affordable municipal services.

I would also like to see the money collected through the Education Property Tax returned to us to continue to provide affordable services that Edmontonians rely on each day like our police and fire protection, snow removal, transit services, and use of recreation facilities.

As the Government of Alberta prioritizes investments for the upcoming budget, Edmonton has focused its requests to the most critical items that support community safety and economic development. These immediate needs are:

Housing, Affordability, and Community Wellbeing

Investing in housing makes good economic sense. One study showed that every dollar spent on supportive housing saved an estimated \$2.84 in health and justice service costs for individuals with previous interactions with the health, police, or justice systems. Investing in affordable housing also helps with employee recruitment, retention, and productivity, helping local businesses grow and prosper. To address our housing crisis, the City of Edmonton needs support from the Government of Alberta across the entire spectrum of affordable housing, from shelter spaces to permanent homes for Edmontonians. To achieve this we are requesting immediate interventions as highlighted below:

- Create additional permanent 24/7 shelter beds to meet the target of 1250 dignified spaces, creating parity with the number of spaces in Calgary.
- Provide additional funding to Edmonton's shelter providers to implement the City's Minimum Emergency Shelter Standards to ensure safe and inclusive emergency shelters.
- Provide \$18 million per year for 70-100 bridge housing units to help transition people from shelters into supportive housing.
- Provide increased capital and operating funds to develop an additional 550 units of supportive housing that will expand recovery-oriented care opportunities in Edmonton.
- Provide funding for 10,600 new additional deep subsidy and 38,230 new shallow subsidy affordable housing units by 2026.
- Work with the City of Edmonton to tackle the drug poisoning crisis by investing in a spectrum of interventions from harm reduction to treatment and recovery.

Through extensive engagement with Indigenous and racialized communities, the City of Edmonton has developed its action plans on the TRC recommendations, MMIWG Calls to Action and anti-racism strategies. We look forward to sharing those plans with the Government of Alberta to advance our shared goal of reconciliation with Indigenous communities and building an inclusive and welcoming city for all of us.

Economic Revitalization and Growth

The Covid-19 pandemic has caused an affordability crisis for many Albertans, including small business owners in our city. The cost of living has increased dramatically in recent years so we must work together to make life more affordable for all Albertans. Some ways we can do this include:

- Provide \$100 million for business revitalization areas such as Chinatown, Downtown, Whyte Avenue, 107 Avenue, 118 Avenue, and other areas that are struggling due to a high presence of social disorder.
- Allocate \$12.5 million to Explore Edmonton to attract new events or festivals to Edmonton creating world-class international events similar to the Calgary Stampede.
- Help foster innovation by partnering with the City of Edmonton by funding a \$100 million Innovation Fund.

Energy Transition and Climate Resilience

Edmonton presents a unique opportunity to mitigate climate change while championing the future of economic growth. The City of Edmonton strongly supports the Government of Alberta's efforts to position itself as the global supplier of choice for hydrogen. Not only does this sector have massive growth potential, but transitioning to hydrogen as a fuel source can play a central role in our work on decarbonization. The City of Edmonton can partner with the Government of Alberta to:

- Develop programs and support Edmonton's capital projects that will scale the demand for hydrogen.
- Provide a portion of the \$840M for 620 zero-emissions hydrogen buses, cover 25% of the \$725M required for the construction of a new garage and expansion of two existing garages to accommodate zero-emissions hydrogen buses.
- Partner with Edmonton and Alberta Transportation to explore the potential of shared hydrogen fueling sites, and support the Government of Alberta's work in transitioning their fleet to hydrogen to maximize the leverage of public sector dollars to accelerate demand and economic growth for hydrogen in Alberta.

The Prairies region is warming at the fastest rate in Canada outside of the Arctic region. This brings a higher risk of flooding, drought, and extreme heat events. Climate change will negatively impact our GDP by billions of dollars a year due to the damages to infrastructure and property, service or production losses, health costs, environmental costs, and financial losses. We want to work in partnership with the Government of Alberta to ensure we mitigate the impacts of climate change on our people and our economy. Some ways you can help us to achieve our shared goals are:

- Provide \$100M for accelerating energy transition of City buildings, and in the community such as implementing our District Energy Strategy, expanding Edmonton's District Energy Nodes, and incorporating the ability to leverage hydrogen.
- Provide support of \$100M for scaling up investment and scope of the Clean Energy Improvement Program (CEIP). This program helps homeowners to be climate and energy resilient by providing upfront loans to upgrade their homes to be more energy efficient. Edmonton is seeking support to establish a self-liquidating (revolving) fund to support the scaling up of this program.

- Provide \$40M for climate adaptation and resilience to initiate planning and delivery of actions to adapt City of Edmonton infrastructure systems (e.g., transportation, rail, fuel supply, and green infrastructure) for changing climate conditions.

Equitable Support for Edmonton and Calgary

I heard about the Government of Alberta's commitment to supporting Calgary's new arena deal, the expansion of the LRT to the Calgary International Airport as well as upgrades to the Deerfoot Trail due to the economic impact these projects will have on that city. To that effect, we request the following support for your capital city:

- Restore Commonwealth Stadium to a world-class event centre by providing between \$160 million and \$185 million to facilitate the necessary rehabilitation and modernization upgrades to the space. Commonwealth Stadium has hosted many world-class events over the years including the Commonwealth Games, and FIFA's Women's World Cup. We will also host the Snowboard World Cup this December. An upgrade to this space would ensure we attract more world class events bringing millions of dollars in revenue to Alberta.
- Help expand Edmonton's LRT network to all quadrants of the city including the Metro Line to Castle Downs and the Capital Line to South Edmonton.
- Provide Edmonton the equivalent amount of support to repair and upgrade our infrastructure that the Government of Alberta will spend on Deerfoot Trail.

On behalf of Edmonton's City Council, thank you for considering our submission and for your willingness to collaborate and partner to make progress on our shared objectives. I look forward to discussing these items further at your convenience.

Yours truly,



Amarjeet Sohi
Mayor

c: Members of Government of Alberta Cabinet
[Ray Gilmour](#), Deputy Minister, Executive Branch
Edmonton's City Council
Andre Corbould, City Manager

Attachment: City of Edmonton's Budget Submission