

Economic Development & Tourism

Led by: Director of Partnerships

Service Description

This service supports a diverse and resilient economy that helps grow local businesses, start-ups, and entrepreneurs; attracts new businesses and visitors to Calgary; and offers Calgarians and visitors access to world-class cultural attractions, venues, experiences and learning opportunities. The City delivers this service by investing in Civic Partners and supporting Business Improvement Areas' (BIA) operations and governance. The service's priorities and activities are guided by Calgary in the New Economy: An economic strategy for Calgary, and contribute to the collaborative implementation key City strategies related to economic development.

Service Updates

Key Service Results

- By year end 2023, the Opportunity Calgary Investment Fund has committed more than \$82 million to 26 projects, spurring \$800 million of investment, the creation, training and retention of more than 3,000 jobs, and supported or started more than 500 local companies.
- The Calgary TELUS Convention Centre generated a total of \$110.2 million in economic impact in 2023 including \$52.1 million in total direct impact, \$36.1 million indirect impact, and \$22 million induced impact. This was an increase of over \$89.9 million in total impact in 2022 (direct, indirect and induced).
- Platform Calgary welcomed more than 44,000 people to the Platform Innovation Centre and donated 1,795 booking hours for space to not-for-profits, a 28 per cent increase from 2022. Thirty-four companies supported by Platform Calgary raised more than \$40 million in investment and grants.
- Calgary's 15 Business Improvement Areas supported over 6,000 businesses and invested \$5 million in BIA taxes to deliver tailored programs and services for their shopping destinations including 220 events and activations, 175 outdoor patios and \$2.7 million invested in enhanced cleaning and public realm improvements.

Service Challenges

- Global economic conditions in 2023 resulted in longer investment cycles. Persistently high inflation coupled with high interest rates meant companies looking to invest in the Calgary region delayed or downsized their investment decisions. Significant political and regulatory uncertainty in the province impacted perceptions of Alberta and Calgary. These combined challenges are creating headwinds for Calgary.
- Demand for Platform Calgary services continued to grow which strained its ability to offer programs and space bookings at discounted rates. Growing safety challenges in downtown Calgary impacted external bookings at the Platform Innovation Centre needed to generate revenue to support programs and services.
- Cost escalations in 2023 continued to be a challenge for Partner-led major capital projects and lifecycle maintenance including the rising cost of labour and supplies. Partners continue to mitigate these risks through reprioritization and cost management.

Trends & Potential Uncertainties

Calgary Economic Development continues to monitor trends in immigration and affordability. In Q3 2023, Alberta had the highest population growth rate of any province in Canada and added 39,212 net new international migrants and 17,094 interprovincial migrants. While Calgary's average apartment rent in 2023 increased by 14 per cent, this was a decrease from 2022 when average rent increased by 22 per cent. The increase in population and increase in rents, coupled with increased prices of other household costs, resulted in an overall increase in the cost of living for all Calgarians.



Measuring Our Performance

Legend

— Actuals

■ Expected Future Performance

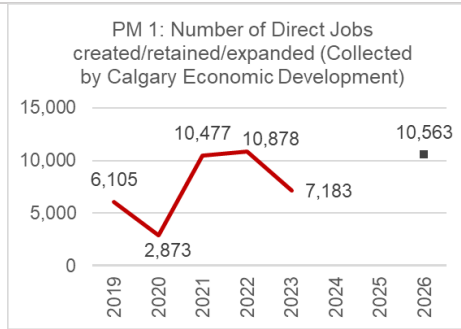
→ Progressing as planned

⊖ Not progressing as planned

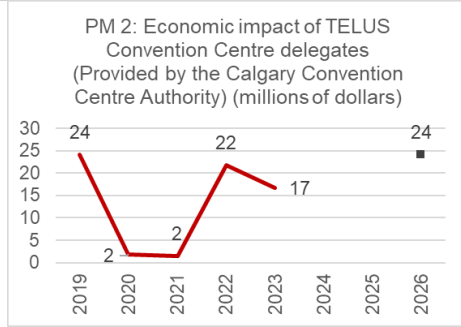
Performance Measures

Story behind the numbers

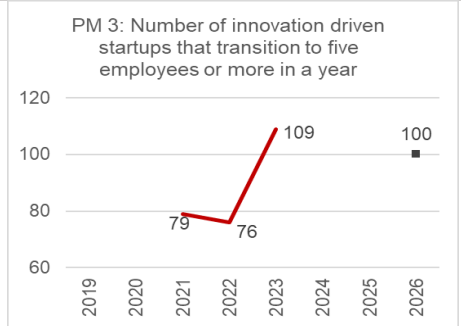
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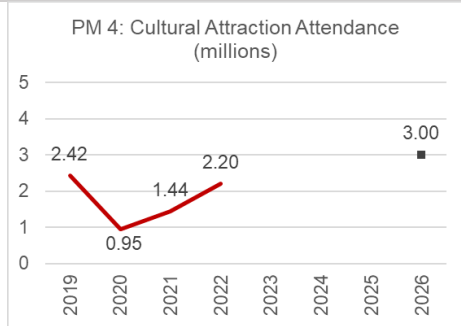
In 2023, even in the face of challenging economic headwinds and the Writer's and Actor's strikes in the United States, Calgary Economic Development delivered significant job growth and \$734 million of investment to the city. Calgary continues to have a strong value proposition across key sectors as demonstrated by announcements from Applexus and Eventcombo. The final job numbers in 2023 were close to the 2023 internal target despite delayed or reduced opportunities in our pipeline. And, in 2022 there were multiple large wins that cannot be guaranteed to happen with the same scale year over year.



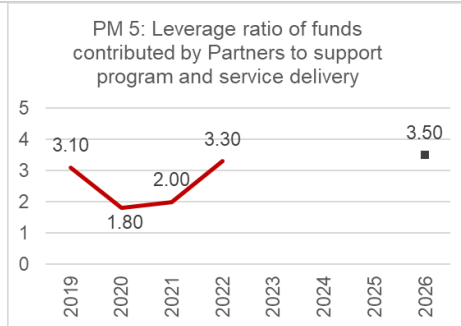
2023 was a year of resiliency and activity at the Calgary TELUS Convention Centre (CTCC) that brought positive economic and social impact to Calgary and the downtown core. The CTCC was rebranded as a place of possibilities offering quintessential hospitality and boundless experiences to attendees. The sales team continued to sell into future years, the operations team focused on capital improvements, and CTCC's experienced employees created safe spaces for all guests. As the first purpose-built convention centre in Canada, in 2024, CTCC will be celebrating 50 years of bringing people together to create meaningful and enduring connections.



Through a variety of early stage programming and support, Calgary has a strong pipeline of tech startups with the potential to grow and scale in the years ahead. Enhancing the capability of Calgary entrepreneurs can accelerate the growth trajectory of startups which will in turn make a meaningful contribution to Calgary's economy. The 2023 Global Startup Ecosystem Report by Startup Genome identified Calgary as one of the most dynamic growing tech communities in the world. Calgary's leading features include the general low cost of doing business, access to global talent and the overall quality of life.

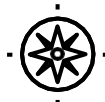


Cultural attractions managed and operated by The City's Civic Partners are unique destinations offering cultural and educational programs and opportunities for Calgarians and visitors to be active and learn about conservation, science, history and aviation. The Cultural Attraction Attendance measure tracks data from five Civic Partners managing and operating City-owned assets. 2023 data is an annual measure that will be available after the Civic Partner Annual Report in on May 1, 2024.



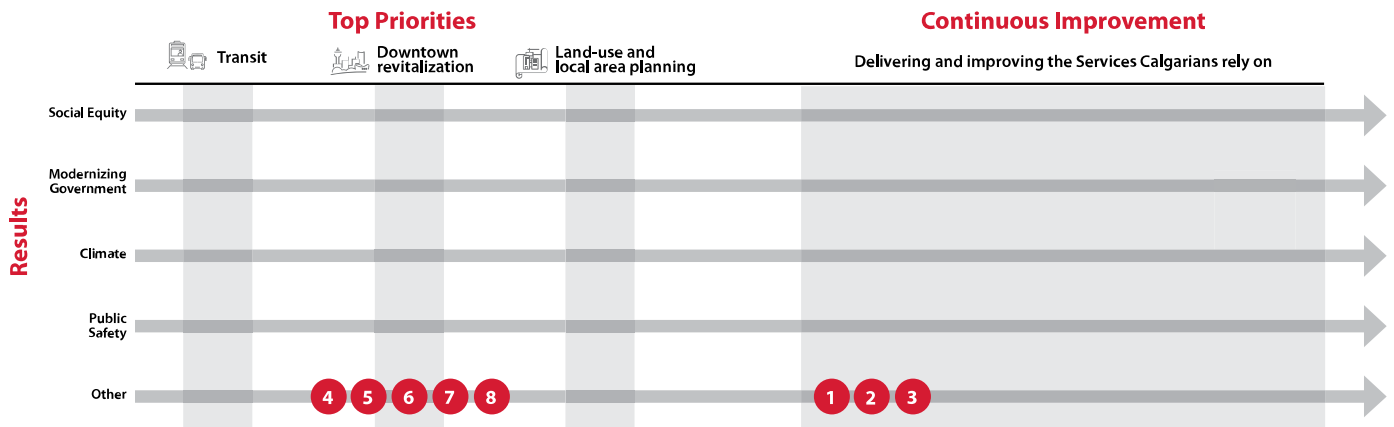
Partnering to deliver economic development services benefits The City, Calgarians, visitors, and the local economy. Partners leverage The City's investment with volunteers and other revenue streams including earned revenues, grants, sponsorships and donations. The leverage measure demonstrates how much Civic Partners contribute to deliver economic development services and reflect the mutually beneficial nature of these relationships. 2023 data is an annual measure that will be available after the Civic Partner Annual Report in on May 1, 2024.









Progress on Service Delivery

Alignment with Council Refined Priorities and Result Areas



- Legend**
- ✔ Completed
 - ➡ Progressing as planned
 - ⊖ Not progressing as planned
 - ⏻ Not started
 - 1 Initiative number

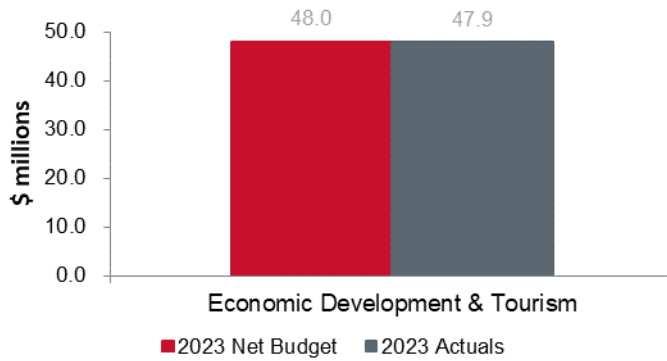
Initiative	Initiative Update	Status
1 Support the promotion and sustainability of the local economy and placemaking by supporting the governance and operation of Calgary's Business Improvement Areas.	In 2023, the Major Partners team provided one-window support for 15 Business Improvement Areas (BIAs) to meet The City's legislated requirements, support BIA operations and governance, and coordinate The City's work with BIAs across a variety of business units. In 2023, a consultant was engaged to undertake a BIA Governance Review and Capacity Building Project with recommendations expected in Q1 2024. It is anticipated that the recommendations will support continuous improvement of City processes, enhanced BIA governance practices, and tailored support for BIAs.	➡
2 Provide access to vibrant and high-quality cultural attractions for Calgarians and visitors by strategically investing in the lifecycle maintenance of City-owned assets managed and operated by Civic Partners including the Calgary Zoo, Fort Calgary, Heritage Park, TELUS Spark, Arts Commons and the Hangar Flight Museum.	In 2023, The City invested \$11.3M in capital funding through the Civic Partner Infrastructure Grant. Civic Partners leveraged this with \$4.7M to support approximately \$16M of lifecycle maintenance at their facilities. Key investments included building envelopes, structural and mechanical systems, safety upgrades and accessibility improvements. The investments also support ongoing asset management planning to manage risk and prioritize future investments. Supporting these projects helps ensure Partners can continue providing high-quality services and experiences for Calgarians and visitors.	➡
3 Support the delivery of economic development and tourism services, including implementation of Calgary in the New Economy: An economic strategy for Calgary, by collaborating, investing in, and supporting the governance and operations of Civic Partners.	This service guides investments in Civic Partners and Administration's one-window support for Civic Partners and Business Improvement Areas (BIA). In 2023, these key partners worked individually and collectively to achieve results for Calgarians including a rebound in meetings and conventions at the Calgary TELUS Convention Centre, Calgary Economic Development's work to promote Calgary as a location of choice, Platform Calgary's programs and services for entrepreneurs and startups, BIA events and activations and seasonal offerings at Calgary's cultural attractions.	➡
4 Provide access to arts and cultural opportunities for Calgarians and visitors that support a vibrant downtown by investing and supporting the Arts Commons Transformation Project.	The \$270M Phase 1 of the Arts Commons Transformation Project progressed into detailed design in 2023. The new building design will be revealed in 2024 during a groundbreaking ceremony and includes a 1,000-seat theatre and 200-seat studio theatre. The design for the modernization of the existing facility will progress in 2024. The adjacent Olympic Plaza Transformation was initiated in spring 2023 with an initial funding commitment of \$40M. The design team was announced in fall 2023, and design and funding will advance in 2024. These projects will support a larger more integrated campus.	➡

Initiative	Initiative Update	Status
5 Support the promotion of Calgary as a destination for business travel, and large-scale meetings and conventions by investing and supporting the BMO Expansion Project.	The \$500M BMO Centre Expansion Project reached significant milestones in 2023 as the building achieved weather tightness and full energization. The Calgary Municipal Land Corporation and the Calgary Stampede unveiled Gerry Judah's "Spirit of Water" as the public art piece that will anchor the expansion's plaza. The project will double the existing hosting capacity and is on budget and schedule for an anticipated grand opening during Stampede 2024. Progress continues with over 600 daily on-site crews focusing on interior tasks, including electrical, mechanical, and meticulous finishing touches.	
6 Provide access to high quality museum experiences for Calgarians and visitors through investing and supporting the Glenbow Renovation Project.	In 2023, the Glenbow Revitalization project focused on interior work such as finalizing abatement and site-enabling work for remaining floors, upgrading mechanical and electrical systems, and establishing a double-height salon and cube galleries. Exterior construction included precast removals, taking down historical sandcast murals, and installing the new exterior facade. The expected completion date for the current phase is Q3 2024. The project's next phase commenced in 2023 with the conceptual design of exhibits, galleries, and the exterior pavilion and terrace.	
7 Attract unique and diverse sport, recreation and cultural events by supporting Tourism Calgary to manage the Calgary Sports and Major Event Committee and Special Events Fund.	Tourism Calgary and Administration meet quarterly to identify opportunities, collaborate, and Tourism Calgary shares information about the Calgary Sports and Major Events' Special Events Fund investments. In 2023, 62 events were hosted with a projected economic impact of over \$132 million. Looking to 2024 and beyond, nearly \$155 million is estimated in economic impact, including 65 new events secured for future years.	
8 Grow the number of startups and entrepreneurs in Calgary and enhance the innovation ecosystem by investing in targeted programs and services delivered by Civic Partners including Platform Calgary and Calgary Economic Development.	The Platform Incubator is an 18-month program for scaling startups run by Platform Calgary out of the Platform Innovation Centre. In 2023, the program had 27 total participants, with another cohort coming online early in 2024. Companies in the Incubator raised more than \$8.5 million over the last year which is critical to their ability to scale. Alberta technology (tech) investment attraction in 2023 was dominated by a number of mega deals. Investments in early stage tech saw reductions in 2023 which posed challenges for new startups looking to access capital to grow.	



Service Updates on Financial Performance

Net Operating Budget and Actuals as of December 31, 2023

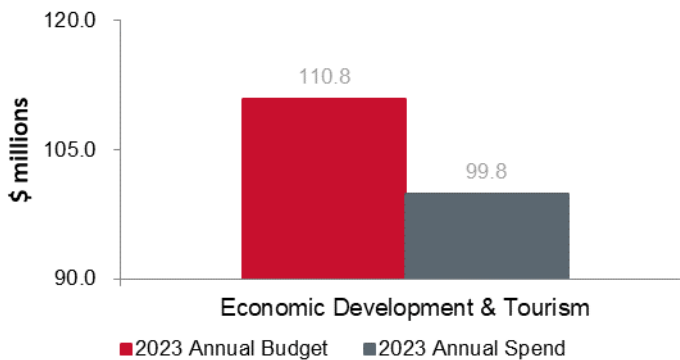


Operating Budget Updates - 2023 net operating budget vs actuals:

Economic Development and Tourism has an insignificant favorable operating variance of \$0.1 million.

Approximately 96.0 per cent of the service's operation budget is represented by operating grants that are disbursed to ten Civic Partners. Each Civic Partner funded under this line of service leverages The City's funding with a variety of other sources.

Capital Budget and Spend as of December 31, 2023



Capital Budget Updates - 2023 total capital budget vs 2023 spend:

Economic Development and Tourism spent 90.1 per cent of its 2023 capital budget. After reaching a new project agreement, events centre investment accelerated in 2023.

The capital spend rate was impacted by new Civic Partner capital projects approved for the 2023-2026 budget. These projects are awaiting matching funding from other orders of government and private funding sources.