



Office of the Mayor

Don Iveson
Mayor

City of Edmonton
2nd Floor, City Hall
1 Sir Winston Churchill Square
Edmonton, AB T5J 2R7

edmonton.ca

January 30, 2018

The Honourable William Francis Morneau
Minister of Finance
House of Commons
Ottawa ON K1A 0A6

Dear Minister Morneau:

As you prepare your 2018-19 budget, we would like to take this opportunity to thank you for your government's investments in cities like Edmonton over this past year. Canadian cities have long made the case that infrastructure investments in municipalities are central to our ability to compete as a country, and these investments will continue to be essential as we break down barriers to growth and build Canada's prosperity. Targeted investments aimed at supporting economic growth – both in terms of establishing new opportunities for growth, as well as supporting long-term growth in our communities – are critical. We must continue to build infrastructure that supports jobs, investment and people, including those vulnerable and disadvantaged Edmontonians who require social supports in order to fully participate in our community.

In this regard, on behalf of the City of Edmonton, I am pleased to provide you with the City's 2018-19 Federal Budget submission.

The Investing in Canada Plan

Cities steward more than 60 percent of Canada's infrastructure for citizens, and bring extensive infrastructure experience to the table. To this end, active municipal engagement is essential in order to ensure that the Investing in Canada Plan meets municipal needs and reflects priorities for design, implementation and delivery as it continues to be rolled out. In this regard, we ask that a regular forum for municipal input on the new federal infrastructure plan be established. This request could be advanced during the current bilateral agreement negotiations between the federal and provincial governments, which, once executed, will see Provinces and Territories managing \$33 billion in new federal infrastructure funding. Further, a specific amount of this funding identified specifically for municipalities will help ensure this program provides meaningful support to municipalities.

The Investing in Canada Plan's potential to fund large-scale and transformative projects, such as the full buildout of LRT, development of cultural spaces and the creation of more affordable housing, will position Edmonton to be globally competitive and attractive to new residents. The City of Edmonton is ready to be a partner in the delivery of these projects.

In addition, big cities like Edmonton will be a major driver for adaptation to climate change and energy resilience. In order to achieve our shared goals in this regard, federal support through the Investing in Green Infrastructure portion of the Plan is essential. This support would enable the implementation of local energy transition and climate change programs, including renewable energy, and allow us to advance priority initiatives such as LRT, active transportation, flood mitigation, fleet electrification and district energy.

Cannabis Revenue Sharing

The City is pleased that your government has acknowledged the important role of municipalities, and the costs cities will assume, in supporting the implementation and enforcement of cannabis legalization and regulation. Our municipal government will be responsible for amending, administering and enforcing zoning, permitting and licensing, along with rules around smoking restrictions in public, public nuisance, safety concerns related to building codes and enforcement of driving impairment.

City Administration is still working out the precise fiscal and resource impacts of cannabis legalization and regulation, based on our current understanding of evolving federal and provincial cannabis frameworks, legislation and regulations. However, preliminary estimates show that City costs (not including those from Edmonton Police Service) could range between \$3.7 - \$4.1 million annually in the first years of legalization, made up of 30+ additional staff and associated administrative costs. In addition, the Edmonton Police Service estimates their costs could rise by \$5 - \$7 million to support 25 - 35 new police officers. It is expected that initial start-up costs will likely drop somewhat after the first couple of years as cannabis legalization and regulation is fully implemented and becomes normalized as part of our society, though they will not disappear entirely. These cost estimates are consistent with costs being developed by other Canadian cities.

In this regard, City of Edmonton has and will continue to reiterate the need for a municipal share of federal-provincial cannabis taxation revenues, as the municipal level is where direct services, as described above, are provided.

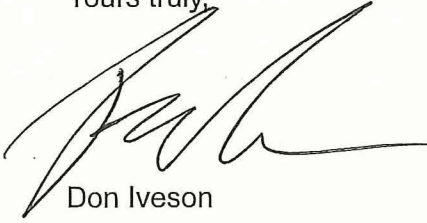
National Housing Strategy

The City applauds the release of the National Housing Strategy and continues to call on the federal government to work in collaboration with our municipality to address the unique housing, health and social support needs of Edmontonians. I cannot overemphasize the importance that the funding commitments of the Government of Canada be accelerated to address the existing, critical gaps in permanent supportive housing and supports for persons who are homeless or at risk, and affordable housing for those families and seniors who live in poverty in our community.

As your government works to finalize your 2018-19 budget, we hope that you find the comments above informative in terms of the City's priorities and how we can support our shared goals.

I look forward to further discussions on these and other important matters that will benefit Edmontonians and Canadians alike.

Yours truly,

A handwritten signature in black ink, appearing to read 'Don Iveson', with a stylized, flowing script.

Don Iveson
Mayor

c: Hon. Amarjeet Sohi, Minister of Infrastructure and Communities
Randy Boissonnault, MP Edmonton Centre
Members of Edmonton City Council