

Ladies and Gentlemen, thank you for your kind invitation to be here today.

2009 is going to be a very challenging year - a difficult year. A year like we have not seen in Calgary for decades.

Our city is not immune to the global economic downturn. We're seeing job losses, tight credit, and projects being deferred.

As a City government, we recognize the current economic climate we are in, and the steps we need to take to see us through it.

In November of last year, we approved a 3-year budget. That plan commits to keeping our property tax increase lower than most communities in Alberta, and it calls for major investments in two strategic areas: Infrastructure and Core services.

Those service investments mean keeping people safe - 130 new fire fighters over the next 3 years; 300 additional police officers to tackle gang violence, street crime, and community policing.

Investing in core services means keeping people moving. We're boosting transit operations – adding 300,000 new hours for new routes, and more frequency.

Just one example is the new Bus Rapid Transit service being extended to South East Calgary. This will involve a fleet of articulated busses, with limited stops between these communities and the downtown. This service is the pre-cursor to a Light Rail Transit line which will service these communities in the future.

Light Rail Transit is a major component of our massive infrastructure investment. Our 5 year capital plan will see 6 Billion dollars invested in vital community infrastructure – 2 Billion is earmarked for this year alone. This is going to help us catch up, and at the same time, provide a major stimulus to the economy.

Over the next 5 years, our capital program will create or sustain over 51,000 person years of employment. At the same time, we'll be building infrastructure ranging from a new LRT line in the west, to interchanges, fire halls, police stations, recreation centres, parks and pathways. That is a smart investment, and one that we need to deliver on, and will deliver on.

Our 3-year budget also provides assistance to Calgarians who are hardest hit by the recession. We have in place over 3 Million Dollars to support low income transit passes, along with almost 10 Million dollars to subsidize transit service for seniors.

We support programs like recreation fee assistance for low income Calgarians, and the Property Tax Assistance Program so that no one can be forced out of their homes by increases to property taxes.

We support FCSS funding, in partnership with the Province. This is a very wise investment. It's there to assist not-for-profit agencies who help with people living in poverty or living with addictions or mental illness. A few dollars spent on "the front end" assisting those with challenges, saves many dollars on the "back end" when we think about policing, health care and other societal costs.

Our three-year budget is thoughtful and flexible enough to help people who need a hand. In times like these, City Council also needs to be mindful of industries which are feeling the hit from the recession.

Few other industries have been impacted like the construction and development sectors. Housing starts and permits have plummeted. The market has slumped, and thousands of jobs have disappeared.

As a City, we need to reflect on how we can help, and take action. I'm very pleased that Mr. Watson was able to join us to outline the "On Target" Project. Our goal is to stream-line the approvals process, and to be more responsive to our industry customers. That is a very positive step forward.

Four years ago we marked a significant milestone. We signed a 5-year agreement with UDI which provided payments from new development toward more transportation and community infrastructure. That was an important agreement, as it established the precedent that the costs of growth need to be shouldered by growth.

Four years ago, we agreed to a formula which would see Off-site Acreage Assessments increase by 12% this year. I still firmly believe in the principles of our agreement. Growth should pay for itself. But for that to happen, we need to have a healthy and sustainable industry.

With that in mind, and recognizing the difficult and unusual circumstances of today, on April 27, I will be asking City Council to "freeze the fees". That is, to cap all acreage assessments in the 2009 Standard Development Agreements at 2008 rates.

Further, I will be asking Council to provide more flexibility in the payment of Acreage fees – Giving developers the option of adding 12 months to the payment schedule of fees if they choose.

These are reasonable steps. Council cannot control the market, but we can assist in temporarily easing the burden on one of our most important, and currently struggling, industries.

In closing, let me offer a little optimism. While the times ahead are uncertain, they are NOT unfamiliar. Our city, and this industry particularly, has faced difficult times before. We will get through it.

And when we reach the light at the other end of the tunnel, We will emerge a stronger city, and a stronger industry.

Thank you.