

# Reimagine Report

## Strategic Response to COVID-19

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### Recommendation

That the July 6, 2020, Office of the City Manager report CR\_8379, be received for information.

### Executive Summary

Cities will continue to be important places of gathering and economic vibrancy after the pandemic. How Edmonton positions itself will be critical for the city to be a competitive place to invest. There is a window of opportunity for Edmonton to reposition itself to emerge from the pandemic even stronger than it was before.

The Reimagine Report (Attachment 1) explores how the public health and economic crises caused by COVID-19, along with the oil price plunge, will present significant ongoing challenges to the City of Edmonton, the community and Edmontonians. The Reimagine Report identifies that the City will be pressured to do more with less while continuing to make transformational city building changes, all of which will require significant adjustments in what the City does and how it is done. If the City takes the bold steps to align to these new realities, as outlined in the Reimagine Report, there is an opportunity to emerge more resilient than before the crisis and continue forward progress on achieving the goals set out in Council's strategic plan.

### Report

Edmonton is changing, and an adaptive, responsive government changes concurrently to meet the needs of a city in flux. The plunge in oil prices and COVID-19 have dramatically impacted the economic landscape of Edmonton, demanding that the City be brave and bold as well as philosophical and intellectually agile. The confluence of these seismic shifts is causing Administration to rethink a lot of things. As Administration advances its response to COVID-19, there is a need to Reimagine the City's work and services. The City intends to weave together five strands of work to manage risk, advance change, seize opportunity, find savings and live the values that anchor Edmontonians. These five pieces of work are referenced in the Reimagine Report (Attachment 1) and are:

1. Reimagined City Building
2. Reimagine Services
3. Modernizing the Workforce
4. Relationship-Based City
5. Financial Viability

Given fiscal constraints, it would be tempting to take a “back to basics” approach to meeting the needs of Edmontonians; instead, the Reimagine Report recommends going “forward with focus.” A combination of essential services and services that are essential to Edmonton will result in a customized set of solutions that allow the City to work within its available resources, be sensitive to Edmontonians’ low tolerance for tax increase and continue to advance its strategic plan and key transformational initiatives in a responsible way.

### **Background**

In spring 2020, the City of Edmonton established a four-stage model for responding to COVID-19 and grounding discussions with City Council, City staff and Edmontonians. This model comprises a near-term Response stage to ensure proactive and immediate steps for managing the pandemic, which included the declaration of a State of Local Emergency; a Relaunch stage to reopen facilities and activate what had been paused in the Response stage; a Recover stage to establish and implement a new normal productivity; and a Reimagine stage (Attachment 2).

The Reimagine stage was initiated to ensure that the City of Edmonton could explore how the COVID-19 crisis may shift resident preferences and expectations for how the City works, and consider how Edmontonians may interact with their city and participate in the economy in the next 18 to 24 months, and beyond. While the Reimagine work is the most future focused stage of the four-stage model, Administration initiated this work in the early days of the City’s response to COVID-19. The intention was to use findings to help reimagine the services the City delivers and inform the difficult decisions the City must make in response to the pandemic and an oil recession to ensure the long term resilience of the City and the community it serves. Since the report’s inception, a further social shift has transpired and, as such, the City’s reimagine work must consider social equity and inclusion alongside economic pressures.

There are 29 recommendations in the Reimagine Report, all of which are underpinned by four guiding principles: Be Bold, Be Brave, Be Agile, and Be Smart. The recommendations are grouped under five themes: Reimagined City Building, Reimagine Services, Modernizing the Workforce, Relationship Based City and Financial Viability.

## Next Steps

Based on the recommended actions outlined in the Reimagine Report (Attachment 1), Administration will return to City Council with recommendations on items requiring Council approval.

In addition, with City Plan engagement complete and in light of the fundamental importance of City Plan to the Reimagine report, Administration will advance the City Plan to a public hearing process in September 2020.

## Corporate Outcomes and Performance Management

<b>Corporate Outcome(s): The City of Edmonton has a resilient financial position</b>			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
The City of Edmonton has a resilient financial position	Adjustments to the approved Operating Budget results in the same or lower approved tax increases	No tax increase required to fund COVID-19 financial impacts from 2020-2022	1.3% (2020) 3.2% (2021) 2.4% (2022)
Financial reporting demonstrates corporate accountability and performance	<p>Projected year-end revenue variance to the 2020 pre-COVID-19 approved Operating Budget for tax-supported operations</p> <p>Projected year-end expense variance to the 2020 pre-COVID-19 approved Operating Budget for tax-supported operations</p> <p>Projected year-end variance to the 2020 adjusted Operating Budget for tax-supported operations (projected revenue net of projected expenses)</p>	<p>(\$160.2 million) as of May 31, 2020</p> <p>(\$143.2 million) as of May 31, 2020</p> <p>(\$16.9 million) as of May 31, 2020</p>	Financial results are expected to be in line with approved budgets
<b>Corporate Outcome(s): Edmonton has a diverse and prosperous economy that thrives locally and globally</b>			
<b>Outcome(s)</b>	<b>Measure(s)</b>	<b>Result(s)</b>	<b>Target(s)</b>
Edmonton has a diverse and prosperous economy that thrives locally and globally	Edmonton CMA Annual Unemployment Rate	2019 (actual): 7.3% 2020 (forecast): 11% to 13%	N/A
	Edmonton CMA Gross Domestic Product (GDP) Growth Rate	2019 (actual): 0.7% 2020 (forecast): -6% to -8%	N/A

## Attachments

1. Reimagine Report
2. Four-stage strategic model for responding to COVID-19

### Others Reviewing this Report

- M. Persson, Deputy City Manager and Chief Financial Officer, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- J. Meliefste, Acting Deputy City Manager, Integrated Infrastructure Services
- K. Armstrong, Deputy City Manager, Employee Services
- R. Smyth, Deputy City Manager, Citizen Services
- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development
- B. Andriachuk, City Solicitor