



Monday » November  
17 » 2008

## City budget battle looms

### Divided council expects heated debate today

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Everything from tax dollars to political legacies are at stake as city council officially launches into talks today on the most contentious budget in decades.

The document aimed at addressing Calgary's explosive growth has been in the works for more than a year, but the global financial crisis that only emerged in the past few months has left a cloud over what previously seemed like a rosy economic future.

And with proposed property tax and user fee hikes that are the highest in recent memory, the financial angst has spawned a public backlash that most recently played out at City Hall over the weekend, when angry Calgarians confronted local politicians at an open house.

Those watching city hall say the budget has bred a different atmosphere for city council.

"It's the most overt conflict we've seen on city council in years," said University of Calgary political science professor Lisa Young. "There are open divisions, aldermen are challenging the mayor in a direct way. It's tremendously important."

Those charged with approving the budget don't expect the mood to change this week.

"It's going to be rather grumpy, to say the least," said Ald. Dale Hodges, a 25-year veteran of city council who's never seen a comparable reaction to a budget. "There are a lot of taxpayers who have concerns about where the city is going."

City council will be poring over nearly \$12 billion in spending spread out over the next three years, but it's the \$7.9 billion in operational spending that has resulted in a proposed 25.1 per cent property tax spike compounded over three years.

While it's unlikely the numbers will be passed as they are, the proposed increases would see the average resident pay \$537 more in municipal property taxes by 2011 than he or she would if the 2008 rate remained unchanged.

Calgary would likely still boast among the lowest property tax rates in major Canadian cities, but the public reaction has been loud and, some hope, influential.

"People are interested in what's going on this time," said Ben Brunnen, manager of policy and research for the Calgary Chamber of Commerce. "The chamber believes this is a signal to council that business as usual isn't going to work."

Aldermen say they've already heard the message.

"Everybody's worried about the economy and the recession, whereas in the time I've been here, times have been pretty good," said Ald. Ray Jones. "Maybe now's the time

to bite the bullet."

Jones was one of eight aldermen who backed a plan to order city staff to find ways to trim the increases closer to the inflation rate.

That was quickly followed by a different proposal from Mayor Dave Bronconnier and Ald. Gord Lowe to transfer money from Enmax and remove cash for EMS, for which the province is supposed to start paying next year. The new plan would see the increases cut to 20.8 per cent compounded over three years.

Young says the duelling plans are just part of the political undertones driving the budget discussion. Ald. Ric McIver and Ald. Diane Colley-Urquhart might both have an eye on running for mayor in the future, said Young, and their battles with Bronconnier this week could leave a long-term impact.

"If (Bronconnier) loses the budget, then I think we're set for some very divisive city politics over the next couple years and a much-weakened mayor," she said. In the short term, though, this week's talks are all about the dollars being spent and how a nervous public will react.

"All they're seeing is this massive number and equating it to their personal circumstance, which I'm sympathetic to," says Ald. Gord Lowe, who played a major role in drawing up the proposed document.

"This is the toughest budget since I've been on council."

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