October 29, 2019



**BILD Calgary Region Letter** 

The City of Calgary PO Box 2100, Station M Calgary, AB T2P 2M5

Attention: Members of Priorities and Finance Committee

## Re: PFC2019-1062: Growth Strategy Monitoring Report

BILD Calgary Region (BILD) thanks the Growth Strategies team for working with industry to address concerns arising from recommendations relating to the intake and review of New Communities business cases. It is our understanding these were to be included with Administration's October 2019 Growth Strategies Monitoring Report to Priorities and Finance Committee (PFC). We would also like to thank the members of PFC for deferring the matter of the Report to the November 2019 meeting to allow those discussions to occur.

After working constructively with Administration, in the lead up to the October 8, 2019 PFC meeting and the time since, BILD understands Administration, in summary, will be making the following recommendations:

- 1. Intake of new communities business cases to remain open until March of 2020, however; due to workload and resource constraints, deferral of recommendations to Council on new communities business cases until at least November 2020.
- 2. No consideration of business cases which:
  - a. Result in any taxpayer or city utility funded capital costs.
  - b. Trigger additional City of Calgary funded operating costs or do not otherwise have an alternate funding mechanism for City of Calgary operating costs. From the discussions on this item, BILD further understands Administration is undertaking a review of how it determines and calculates operating costs and, has offered to continue to meet to understand how such costs will be determined and to identify and evaluate alternate mechanisms that may allow business cases to move forward.
  - c. Proposed development is not contiguous with an approved Area Structure Plan (ASP).
  - d. Do not show commitment to develop as demonstrated by submission of a land use and outline plan application.
- 3. GMO removal to occur at the same time as land use approval, and after 2020 November decisions.
- 4. Only those business cases which are recommended for approval by Administration will be presented to Council.

BILD remains a strong advocate for a city-wide growth strategy including current work on the Established Areas Growth and Change Strategy (EAGCS) and upcoming work on the Industrial Strategy. Our commitment to a citywide growth strategy is demonstrated by active participation by BILD staff and industry volunteers on all EAGCS working groups and Advisory Council. In addition, we have dedicated significant resources to policy, process and engagement which has supported and encouraged successful infill development. Whether it be in respect of new communities, established areas or industrial areas, we strongly believe a functional, predictable and unified growth strategy will benefit industry, the City of Calgary and, importantly, Calgarians. BILD's members look to Administration and ultimately to City Council, as regulators, to establish and adhere to principles for both the regulations and how the regulations are applied. Clear, predictable regulations and processes allow Administration, Council and industry the common understanding and flexibility to invest time and resources in a way that has the highest probability of being productive for all stakeholders. BILD supports a transparent, predictable and functional system. To do otherwise risks eroding business confidence and investor trust in the City of Calgary.

BILD and Administration invested significant time and resources in the development of the intake and evaluation process used in the prior cycle of new community business case intake and evaluations. The present cycle of business case intake opened in September 2019 and was expected to result in recommendations regarding all submitted business cases in March 2020, as directed by Council.

BILD acknowledges the fiscal and resource pressures on Administration—industry has been coping with similar pressures for some time now. BILD is not asking for guaranteed outcomes that result in approval of additional new communities, or that progress be delayed on the established areas or industrial strategy work at the expense of new community review. BILD acknowledges that any future recommendations to approve any business case may be weighted upon the financial capacity of the City in the coming year.

## Accordingly, BILD recommends:

- 1. New community business case recommendations from Administration be delayed from March 2020, as originally directed by Council, to no later than the November 2020 Council meeting.
- 2. Consideration of business cases which:
  - a. Result in zero taxpayer or city utility funded capital costs
  - b. Proposed development is contiguous with an approved Area Structure Plan (ASP).
- 3. GMO removal to occur at the time of business case approval
- 4. Regardless of Administration's recommendation, presentation of all business cases to Council for final decision. BILD believes Council to be the appropriate final decision makers on business case matters
- 5. Council support for adequate resourcing for:
  - a. Evaluation of new community business cases;
  - b. EAGCS; and
  - c. The development of the Industrial Growth Strategy

Council and Administration have expressed a desire to be "open for business" and "business friendly". BILD believes support of its recommendation contribute to a predictable process which helps sustain investor certainty, employment and build confidence in the system.

We thank Administration for continuing to work with industry on growth strategies and we thank PFC for the opportunity to bring forward our industry's input on these important recommendations.

Respectfully, BILD Calgary Region

Ren F.D.

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