



Industry/City Work Plan: 2019 Year-End Initiative Updates



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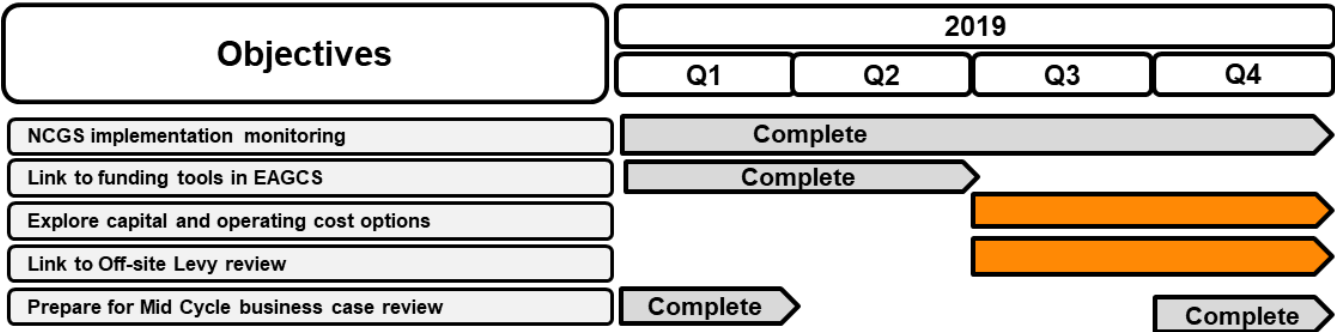
New Community Growth Strategy 2019 Year-End Update

Background

The New Community Growth Strategy (NCGS) seeks to enable strategic growth in new and actively developing community areas by aligning planning policy, market demand, and infrastructure and servicing needs with City service plans and budgets.



What we said we'd do (2019)



Of five actions, three are complete, and two (denoted in orange) are delayed. These two objectives, “explore capital and operating cost options”, and “link to Off-Site Levy review”, will continue into 2020 as part of the work plan.

Year End Results (2019)

In 2019, the New Community Growth Strategy work focused on monitoring progress of the new communities approved in 2018, and a review of the new community growth decision-making process. A monitoring report (PFC2019-1062) was brought forward to the 2019 November 18 Council meeting, which provided transparency and accountability based on The City’s and developers’ commitments made through the NCGS 2018 decisions. Stack’d Consulting was retained to gather feedback from internal and external stakeholders, and members of Council, to inform potential improvements to the new community growth decision-making process. A final report was provided by Stack’d Consulting with six priority recommendations. Administration and Industry will continue to work on implementation of the recommendations contained within the report.

Administration brought forward, through report PFC2019-1062, proposed direction for the mid-cycle business case review (NCGS 2020) after extensive consultation with Industry stakeholders. On 2019 November 18 Council recommended that Administration complete a New Community Growth Strategy by 2020 October 13. By January 6, 2020, Administration received 11 submissions from landowners who have requested to move into the business case review process.

Changes and Challenges

The changing context of the Calgary economy and housing market continues to pose challenges, the forecasted pace of development in 2019 slowed down and Provincial and City budget pressures increased. As a result, reconsideration was given to the original 2020 March timeline for new community business case recommendations and the new timeline for accepting business cases in 2019 is indicated in the Year End Results section above. The City and Industry remain committed to tackling unexpected changes and challenges to help enable growth and retain private investment of capital in Calgary.

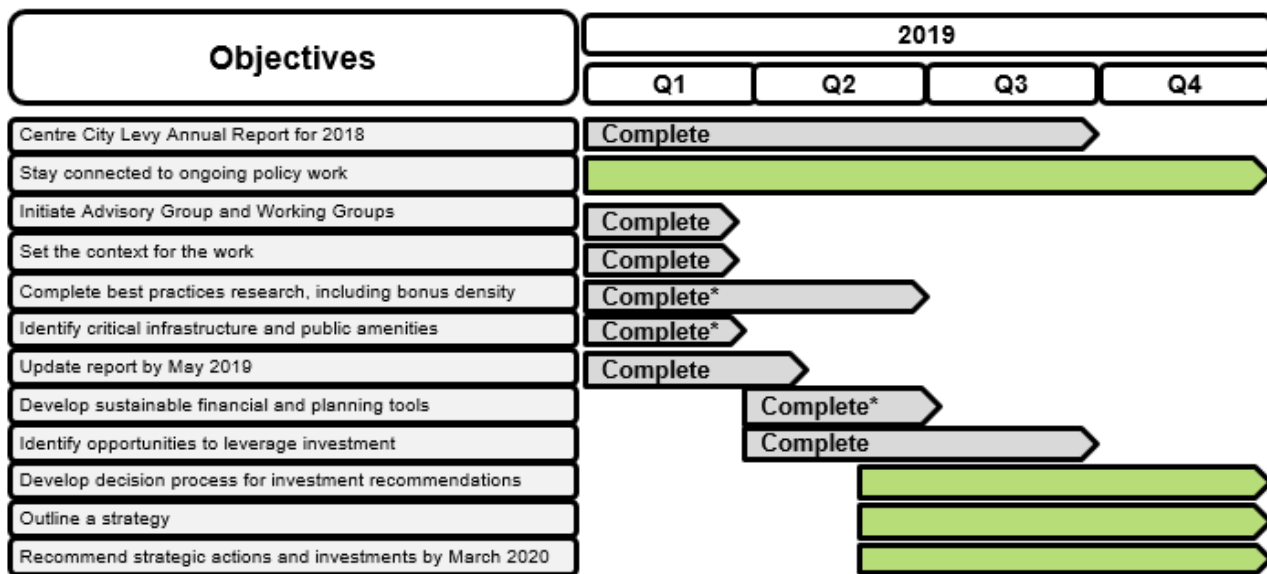
Established Areas Strategy 2019 Year-End Update

Background

The Established Areas Strategy focuses on reducing barriers to redevelopment, including utility infrastructure information, cost reductions, funding growth, policy implications, and application processes.



What we said we'd do (2019)



*Denotes deliverable is largely complete in support of Phase 1 of EAGCS

Of twelve actions, eight are complete, four are on track, and none have been delayed. These deliverables primarily support Phase 1 of the Established Area Growth and Change Strategy (EAGCS), with more robust investigation of infrastructure and public amenities, and financial and planning tools to be included as part of Phase 2 in 2020 and beyond (as described in the update report, PUD2019-0305).

Year End Results (2019)

In 2019, the Established Area Growth and Change Strategy made significant progress, including:

- completing redevelopment market analysis for Established Area communities;
- two-phased strategy articulated, with Phase 1 identifying actions to support growth in areas with existing market potential;
- ongoing collaboration with stakeholders from communities, business areas, and the development industry towards mutually beneficial outcomes in the Established Areas;
- identifying critical infrastructure and public realm elements for enabling growth and supporting quality of life in redeveloping communities;

- identifying a range of financial and planning tools to support growth and change in redeveloping communities; and
- developing recommendations with meaningful outcomes that support redeveloping communities, for Council's consideration in March 2020.

In addition to progress made specifically on the EAGCS, redevelopment industry members continued to be connected to other City policy work in 2019 through quarterly meetings. This provides an opportunity for industry members to stay connected as policy work evolves, and to be well positioned to communicate with the broader industry.

The annual Centre City Levy Report for 2018 was delivered in 2019 November to Planning and Urban Development Standing Policy Committee (PUD2019-1205) and Council.

This work continues to contribute to the definition of a future planning system that connects policy to implementation in support of long-term goals of the Municipal Development Plan.

Changes and Challenges

While the EAGCS continues to move forward with excellent involvement from stakeholders, there are a number of key challenges that may impact the ability to succeed in 2020, namely: City capital budget capacity, City and external stakeholder resources, and project complexity and scope.

The City continues to prioritize available capital and operating funding, as total financial capacity is reduced. Administration has considered this in the scale and type of budget-related recommendations that may be brought forward in March 2020, as well as clearly communicating this changing context with stakeholders to ensure realistic expectations.

The EAGCS involves numerous business units across The City; as well there are a number of City-led projects currently underway (such as Guidebook for Great Communities, Local Area Plans Strategy, Main Streets, Transit-Oriented Development, and Stormwater Strategy), focused on growth and change in established areas. While this cross-corporate approach, and comprehensive attention to redevelopment is positive, these place a burden on external stakeholders, and internal resources, to participate and collaborate. To alleviate this, and to make effective use of stakeholder and City resources, the EAGCS leveraged, and worked to validate and refine, existing information from various sources. Additionally, prioritization decisions among elements may be necessary. These limitations have been considered in developing the City Planning and Policy 2020 Workplan, and the Industry/City Work Plan.

In 2019 May, Administration outlined a shift to a phased approach, and some elements of this complex project were deferred beyond the original scoped timeline (PFC2018-0891).

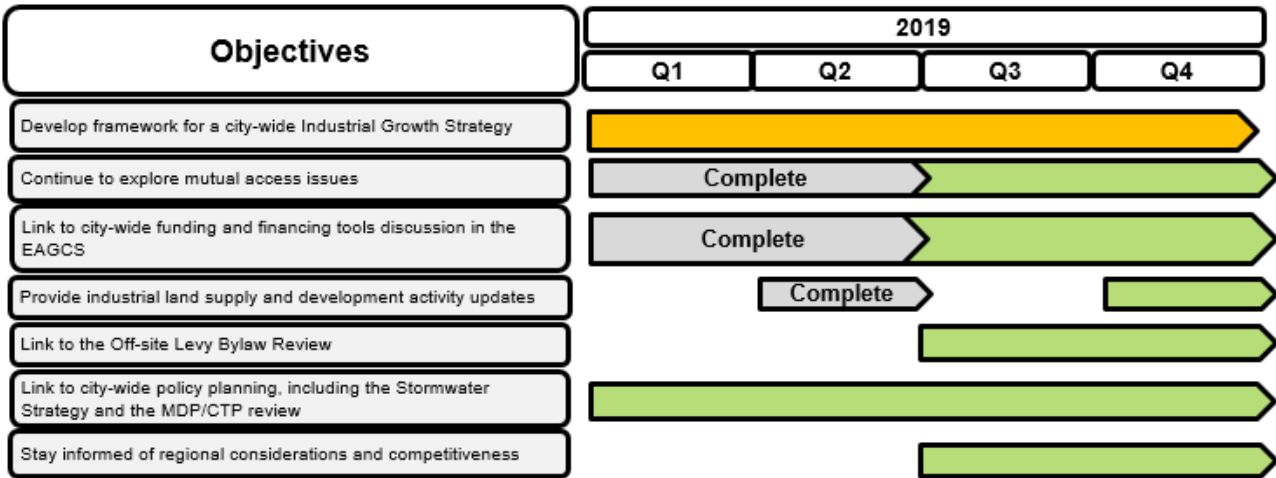
Industrial Strategy 2019 Year-End Update

Background

The Industrial Strategy focuses on identifying opportunities to support industrial development through policy considerations and comprehensive strategies. The long-term focus of the Industrial Strategy Working Group is to support economic diversification and grow the industrial tax base, by developing strategies that support the industrial sector’s long-term prosperity and strengthen Calgary’s position as an inland port.



What we said we’d do (2019)



Of seven actions, three are complete. Existing streams of work related to these objectives will continue into 2020. Three other actions remain as on-going streams of work and are on track. One action (orange above) has been delayed to 2020 given resource constraints.

Year End Results (2019)

Work completed on the Industrial initiative in 2019 continued to advance small-scale improvements to current development processes, maintained alignment with work related to funding and finance, and began to set the stage for the development of a 2020 Industrial Growth Strategy Scoping Report.

Mutual access discussions have occurred and Administration provided updated information on options under current legislation. Market updates and discussion were presented through regular working group meetings and will continue into 2020. Also through the working group, stakeholders and Administration were able to both inform and stay up to date on the Goods Movement Strategy, the Guidebook for Great Communities, and work on stormwater considerations.

Changes and Challenges

City resources for the Industrial Strategy were challenged in 2019, leading to mutual agreement with Industry to delay the scoping report to 2020. New resources allocated to this work in Q4 2019 will contribute to advancing objectives of the Industrial Strategy in 2020.

2019 included the continuation of work linked to the broader city and region-wide economic situation and smaller-scale process improvement work designed to alleviate development concerns specific to industrial development. Dedicated, engaged industry involvement remains crucial to continued success, especially moving forward into the scoping work planned for next year

Continuous Process Improvements 2019 Year-End Update

Background

The Continuous Process Improvements (CPI) Program aims to address concerns across the approvals continuum from Outline Plans/Land Use to occupancy and development closeout. Both The City and Industry are focused on ensuring that Calgary is an attractive place for real-estate investment, that the approval process is simple and efficient, and that partnerships can be built between The City, Industry, and communities.



What we said we'd do (2019)

| Objectives | 2019 | | | |
|--|--|----|----|----|
| | Q1 | Q2 | Q3 | Q4 |
| Application Circulation | [Green arrow pointing right] | | | |
| Standard Comment Library / Detailed Team Review (DTR) Template Revisions | [Green arrow pointing right] | | | |
| Transportation Impact Assessment | [Red arrow pointing right] | | | |
| Construction Drawings (Implementation) | [Grey arrow pointing right with text 'Complete'] | | | |
| Construction Completion Certificate/Final Acceptance Certificate (Implementation) | [Green arrow pointing right] | | | |
| Additional Continuous Process Improvement projects to be determined collaboratively with City Staff and Industry members | [Green arrow pointing right] | | | |

Of the six actions, one is complete, four are on track and one (red above) is off track. The Application Circulation and Standard Comment Library projects have been mutually agreed to be extended, and therefore reflect adjusted timelines compared to the 2019 work plan. The Transportation Impact Assessment, identified as a priority by Industry, is off-track due to competing priorities for limited resources within Administration in 2019. This has been re-evaluated for 2020, and is anticipated to be on track for completion next year.

Year End Results (2019)

Working with Industry, significant improvements in various processes have been made in 2019, resulting in a reduction of red tape, increased transparency, accountability and smarter decision making that benefits both The City and Industry. Changes to the Construction Drawing review process have shown a dramatic increase in approvals on a first submission, since the project started. Between 2016 and 2018 work primarily focused on improving the likelihood of underground construction approval earlier in the process. Changes made in 2019 are expected to substantially increase the rate of surface construction approval, ultimately reducing the amount of time it takes to receive a Building Permit for homes within developing communities.

Table 1. Approval rate for underground construction drawings.

| Submission number | Percent Approved | | Percent Change |
|-------------------|------------------|------|----------------|
| | 2015 | 2018 | |
| First | 3% | 51% | +48% |
| Second | 70% | 95% | +25% |
| Third | 91% | 100% | +9% |

Table 2. Approval rate for surface construction drawings.

| Submission number | Percent Approved | | Percent Change |
|-------------------|------------------|------|----------------|
| | 2015 | 2018 | |
| First | 0% | 15% | +15% |
| Second | 53% | 70% | +17% |
| Third | 90% | 100% | +10% |

Note: Given data availability, approval numbers for 2019 were unavailable at the time of submitting this report.

Additionally, within the framework of the Construction Completion Certificate (CCC)/Final Acceptance Certificate (FAC) project, the capacity for The City to review as-built submissions has increased sharply.

Table 3. As-Built Submissions

| | 2018 | 2019 (YTD) | 2019 (Projected) | Percent Change |
|------------------------|------|------------|------------------|----------------|
| As-Built Sets Reviewed | 52 | 90 | 105 | +102% |

In July, a process change allowed professional engineering consultants to take on additional responsibility for infrastructure they construct; this reduced the review time and effort required by City staff. It is expected that this process change will clear the backlog of as-built drawings as applicants take advantage of the new process. This will result in Development Agreements being closed and security returned that otherwise would have taken much longer to resolve.

Changes and Challenges

While there were significant milestones achieved in certain areas of the approvals process, resource challenges and shifting internal priorities delayed some initiatives, including the Application Circulation and Standard Comment Library. During 2019, these projects were mutually agreed to be extended into 2020. Scope and resources required to address Industry feedback on the Development Permit Standard Comment Library were originally underestimated. Additionally, there were delays due to the addition of new regulations for cannabis operations impacting delivery of the Standard Comment Library. Because of this the Outline Plan/Land-use and Subdivision comment library review did not start until later in the year and the full scope of the project will likely carry into 2020.

The Transportation Impact Assessment (TIA) project, of significant importance for industry stakeholders, is delayed due to competing City priorities and resources. This has been re-evaluated for 2020 and is anticipated to be on track for completion next year.

The CCC/FAC project, also a priority for Industry, also faced challenges with organizational shifts and resource constraints. Despite these setbacks The City is committed to reviewing the highest impact improvements and working with Industry to deliver an improved experience with the CCC/FAC process.