

From: guy.huntingford@naiopcalgary.com
To: [Public Submissions](#)
Subject: [EXT] NAIOP letter of support for Established Growth & Change Strategy - Phase 1
Date: Friday, May 08, 2020 8:47:42 PM
Attachments: [EAGCS Phase 1 report - support letter.pdf](#)

Please accept this letter and add to the package for the May 25th Combined meeting of Council.

NAIOP submitted the letter for the PFC Apr 29th meeting but we understand the letter needs to be resubmitted for the Council meeting.

Many thanks

Guy
Dir. Strategic Initiatives, NAIOP Calgary



Date: 27-Apr-2020

Members of Priorities & Finance Committee
Mayor & Members of City Council
The City of Calgary
PO Box 2100, Station M
Calgary, AB T2P2M5

Re: PFC2020-0381 Established Areas Growth and Change Strategy 2020: Phase 1 recommendations

Dear members of PFC

NAIOP Calgary has been an active participant in the Established Areas Growth and Change Strategy (EAGCS) work that has been underway since September 2018.

The EAGCS is one piece of the City's goal of a comprehensive growth strategy (other pieces being the new community strategy and the industrial strategy). From a NAIOP perspective the EAGCS is most important as it affects the largest group of our members.

The EAGCS has been split into 2 phases and the report presented to Committee details the results of phase 1 and looks forward to phase 2.

This letter provides our support for the EAGCS, the transition to phase 2 and the collaborative work with Administration to bring us to this point.

As with any report of this scope it presents some areas for reflection and provides key issues that the committee should be aware of. They are as follows;

Recommendation 1:

Approval by Council to create and seed (\$30M) an Established Areas Investment Fund is welcomed. Recommendation 1 asks for approval to spend all \$30M in 2021 and 2022. We support this direction. In attachment 1 it specifies that \$24M of the \$30M has been allocated and \$6M is set aside for unknown support of current or future public realm projects. We ask that the \$6M be allocated with input from all stakeholders.

Recommendation 2:

We support the intent of each of the points presented with the exception of the wording regarding a levy for local-sized water & sanitary pipes. All our discussions with

administration have been to 'explore' a levy, not 'develop'. The term 'develop' implies there will be a levy. This does not provide for a possibility that other funding sources besides a levy may be presented as a preferable means to fund water infrastructure.

Recommendation 3:

We applaud and support the creation of a Reserve (Established Area Investment Fund) for funding in Established Areas. Our concern is the replenishment of the Fund (based on details in attachment 4) will not be sufficient to provide for future growth areas and requires an annual commitment from Council to seed this fund, commencing in 2023. Further Attachment 4 states that the review of the fund should be every 3 years. We would like to see the review every 2 years to match One Calgary and the mid-cycle review timelines.

Recommendation 4:

We support this recommendation as stated.

Again we thank the Growth Strategies team and all stakeholders for their collaborative approach to this work and ask that PFC accept the recommendations presented in this report with the considerations as described above.

Sincerely, on behalf of, NAIOP



Guy Huntingford
Director Strategic Initiatives
NAIOP Calgary

Cc:

Stuart Dalgliesh, GM Planning & Development
Kathy Davies-Murphy, Manager, Growth Funding & Investment
Matthew Sheldrake, Acting Manager, Growth & Strategic Services
Lesley Kalmakoff, Planner, Growth & Strategic Services
Chris Ollenburger, Chair, Government Affairs Committee, NAIOP Calgary



April 27, 2020

Members of Priorities & Finance Committee and Calgary City Council
The City of Calgary
PO Box 2100, Station M
Calgary, AB T2P 2M5

Re: PFC2020-0381 Established Area Growth and Change Strategy 2020: Phase 1 Recommendations

Dear Members of Priorities & Finance Committee and Members of Calgary City Council:

BILD Calgary Region (BILD) would like to thank Administration for the comprehensive report and acknowledge Phase 1 progress is a direct result of collaboration with an extensive stakeholder network comprised of community, business, shallow utility, and industry representatives. As noted, ***'the multi-stakeholder approach will continue'*** - the success of Phase 2 is dependent upon this continued close collaboration.

The multi-stakeholder approach of the EAGCS (Strategy) has been **supported by BILD staff/directors/members** participating on all working groups and the advisory committee. The Strategy has been a priority for BILD Standing Committees (including InnerCity, Urban Redevelopment, Commercial and Planning), and is discussed regularly at BILD Board of Directors meetings. BILD's prioritization of its diverse membership's interests is reflected in this work. As well, the November 2019 BILD bylaw change (nearly unanimous membership vote) balanced New Community/Established Area developer-builder board composition, to reinforce **BILD's commitment at its highest governance level** to Established Areas and balanced growth throughout the city.

CRITICAL POINTS/ KEY CONCERNS:

Holistic & Comprehensive Approach – the **Funding Framework** Infographic (attached for reference) was created by EAGCS industry representatives and reviewed/edited by members of Administration.

*A successful Strategy requires a **holistic planning + funding framework** that addresses 3 key components – Existing public infrastructure / New + Enhanced Public Amenities / Developer-sized Piped-servicing Upgrades.*

Each element, and the funding for it, must be considered in concert with the others. There will be limitations on financial capacity to pay and the collective impact of all costs must be considered together. Decisions must not be made in isolation regarding levies (existing or new), density bonusing, public realm funding, existing or new development fees/charges/security, as well as policy or processes with financial impacts.

Established Area Investment Fund (EAIF) – All stakeholders appreciate the creation of the fund and the \$30 million contribution from reserves. However, this cannot be a one-time only contribution – *Council MUST prioritize this Fund and commit to replenishing the EAIF with each 4 year budget cycle.*

The items identified in the report as possible financial tools to ‘replenish’ the fund, including the Tax Uplift pilot, are not expected, even collectively, to provide sufficient funding in the magnitude required. Accordingly, it is critical that **Council commitment to replenishing the Established Area Investment Fund as part of the One Calgary Budget.**

Developer Funding (potential Off Site Levy) for Water & Sanitary Pipe - Stakeholders identified a disconnect between the Phase 1 Working Group’s and Administration’s Recommendations.

Attachment 3, p. 4/7: “the FP&I Working Group arrived at the recommendation to **consider and explore** adding local-sized water and sanitary pipes into the list of infrastructure funded by an Established Areas Levy.” Attachment 7, Phase 2 Work Plan Graphic: “* **Exploration** of local-sized utility levy”

The Administration Recommendation, “2. Direct Administration to **develop** (a) A new Established Area off-site levy for local-sized water and sanitary pipes...” should be amended to read ‘**explore**’.

The Phase 1 recommendation to ‘explore’ encourages genuine investigation of reasonable alternatives. ‘Develop’ presupposes the outcome and is too limiting, particularly at this *unprecedented time of uncertainty and economic crisis*. This Recommendation must be revised to align with the Working Group’s Phase 1 recommendations, and to validate and preserve the integrity of Stakeholders’ Phase 2 work.

Phase 2 Work Plan Collaboration – The EAGCS Phase 1 meaningful progress is a direct result of the framework for collaboration and should be continued in the Phase 2 work. We request that the Administration Recommendation be amended to read: *Direct Administration to continue Phase 2 of the Established Area Growth and Change Strategy work as defined in a Phase 2 Work Plan (Attachment 7), in collaboration with the Phase 1 stakeholders, and bring back the next round of recommendations...*

We look forward to working on Phase 2 with Administration and all stakeholders, building upon the existing foundation of respect and collaboration.

Respectfully,
BILD Calgary Region



Beverly Jarvis
Director of Policy, Projects & Government Relations

Attachment 1: Funding Framework. Infographic

c.c. Stuart Dalglish, General Manager, Planning & Development
Kathy Davies Murphy, Manager, Growth Funding & Investment, Planning & Development
Matthew Sheldrake, Acting Manager, Growth & Strategic Services, Planning & Development
Lesley Kalmakoff, Planner, Growth & Strategic Services, Planning & Development

VERBAL PRESENTATION:

On behalf of **Joel Tiedemann**, Senior Development Manager, **Anthem Properties** – the following statement is provide in support of the Established Area Growth and Change Strategy work....

"It is very encouraging to see the City is committed to reinvesting in our established areas that have seen significant growth over the last number of years. Redeveloping in our established neighbourhoods is the most sustainable way that Calgary can grow our population as it utilizes exiting land and infrastructure while bolstering the existing tax base. A long-term strategy is required to ensure communities taking on additional density see the requisite benefit through reinvestment in public realm improvements.

An investment/funding program is also required to support the increased underground infrastructure demands that come along with community redevelopment. This potential program will provide more cost certainty to developers and will make ongoing redevelopment of Calgary's established communities more feasible.

I want to thank administration for the work they have done on this file to date and I look forward to continue working on the EAGCS to ensure that Calgary can continue to grow "up, in and out".

On behalf of **Nazim Virani**, President, **Sarina Homes** – the following statement emphasizes the value of collaboration and the importance of a comprehensive holistic financial and planning approach...

"The Multi-Community stakeholder engagement sessions are making an impact. *The Planning and Development team started engagement with the Westbrook Multi-Community stakeholder group last October. Chris Pollen and I were fortunate to be selected to participate in this group, along with 36 other members from the various communities. As far as I understand, there were over 180 people that applied to participate, and I have to say there was almost full attendance at each engagement session (about 4 sessions). The team leading the sessions were impressive. They were thoughtful, prepared, open, inclusive and genuine in their approach to learning and understanding how residents feel today and helping us all envision smart growth and a more vibrant community in the future. Kudos to Emma and Steph leading the group sessions.*

I support administration's phase 1 recommendations. I look forward to a more comprehensive plan forward from administration as we strategize growth in our established areas.

EAGCS

Funding Framework.

Financial Tools for Delivering Infrastructure + Community Amenities in the Established Areas

There are a variety of necessary components to a “framework” for success for the Established Area Growth + Change Strategy – adequate / sustainable funding is key. The Strategy’s growth goals require a **holistic planning + funding framework** in order to achieve the shared goals of the Municipal Development Plan vision.

KEY COMPONENT 02

New + Enhanced Public Amenities

With density must come amenity

Who’s responsible for funding:

- City – what portion?
- Developers⁴ – what portion?

Funding mechanisms proposed:

- Incremental Tax Redirection
- Ad hoc funding through City Budget cycles¹
- No agreement on a sustainable mechanism

What’s missing:

- Secure + sustainable funding
- Cost allocation between City + developers
- Comprehensive EAGCS²
- LAP³ updates / implementation
- List of enhanced amenities + anticipated costs
- Sustainable + transparent method of establishing priorities

KEY COMPONENT 01

Existing Public Infrastructure + Life Cycle Maintenance

Addressing repair + replacement

Who’s responsible for funding:

- City – collection of municipal taxes + utilities

Funding mechanisms proposed:

- Ad hoc funding through City Budget cycles¹
- No agreement on a sustainable mechanism

What’s missing:

- Secure + sustainable funding
- Comprehensive EAGCS²
- LAP³ updates / implementation
- List of existing deficits + anticipated costs
- Sustainable + transparent method of establishing priorities

KEY COMPONENT 03

Developer-Sized Piped-Servicing Upgrades

Growth requires infrastructure

Who’s responsible for funding:

- City – what portion?
- Developers⁴ – what portion?

Funding mechanisms proposed:

- New levy being explored
- Ad hoc funding through City Budget cycles¹
- Development Permit Conditions
- No agreement on a sustainable mechanism

What’s missing:

- Comprehensive EAGCS²
- LAP³ updates / implementation
- Agreement on levy methodology
- Better City information to inform capacity limitations / anticipated costs



April 28th, 2020

Priorities and Finance Committee

Re: Established Area Growth and Change Strategy (EAGCS) 2020: Phase 1 Recommendations

The Federation of Calgary Communities is the support organization for over 230 community based non-profit organizations, including 152 community associations. We advocate for and assist community associations in navigating Calgary's planning process. The Federation has served as a key stakeholder on various EAGCS Advisory Committees reflecting the voices of community members and associations across the City of Calgary. We support the EAGCS phase 1 recommendations and thank the team for including us in this important work.

While the Federation has participated in all aspects of EAGCS, public realm improvements are what residents see and appreciate when taking on growth and change. As a result, this letter reflects on the significance of investments in the public realm. We commend Council for approving \$30 million of funding towards public realm improvements in Phase 1 Established Areas. This funding is crucial to adding more amenities and improving the public realm deficit in established areas.

Ongoing strategic investment and commitment to our established communities will continue to create complete communities for residents and businesses and contribute to making Calgary a great and livable city. Although there are plans to explore future funding tools to replenish the Established Area Investment Fund; given the financial constraints caused by the COVID-19 pandemic and the state of the economy, we have concerns around the capacity of any combination of tools to ensure the replenishment of this fund.

A steady state of investment in amenities in communities experiencing redevelopment is vital to supporting change. The Established Area Investment Fund cannot be a one-time investment of Council, nor is it likely that various funding tools can adequately replenish the fund alone. We recommend that Council commit to replenishing the Established Area Investment Fund as part of ongoing One Calgary Budget to ensure meaningful investments in subsequent multi-community areas can be supported through growth and change.



We look forward to seeing the implementation of Phase 1 projects, and to the continued work Phase 2. We believe that Phase 2's success will rely on continuing this collaborative work with administration, community members and industry stakeholders.

Thank you for this opportunity.

Sincerely,

Leslie Evans, M.M., BSc
Executive Director