

Outline of the 2020 Process and Industry Stakeholder Consultation

In recognition of The City of Calgary's financial constraints in 2019 December, Council approved an update to the 2018 process by introducing a two-step process for 2020 through report PFC2019-1062. An overall timeline of the New Community Growth Strategy (NCGS) 2020 process is listed below, followed by background on the process and interaction with stakeholders.

NCGS 2020 Process Timeline

2019 December 2	Administration sent out a memo and directions to interested developers and BILD Calgary Region to participate in the New Community Growth Strategy 2020.
2020 January 6	Administration received 11 one page submissions from proponents and reviewed these against the five screening criteria through a cross corporate working group.
2020 January 31	After completing a review of the one page submissions against the five screening criteria, Administration invites the 11 business case proponents to submit a full business case by 2020 March 13, to be evaluated against updated criteria.
2020 March 13	Administration received 11 full business case submissions and begins review of the business cases against the evaluation criteria.
2020 June 1	Administration has completed reviews of the 11 business cases and provides comments to the business case proponents.
2020 June/July	Administration and proponents meet to discuss review findings and a formal opportunity for information clarification and sharing.
2020 July	After meeting with each business case proponent, the cross corporate team formulated a recommendation that was confirmed by the Directors Integrated Growth Committee (DIGC) and the General Managers Strategic Growth Committee (GMSGC).
2020 August	Administration developed a communication plan to notify business case proponents and other stakeholders of the recommendations ahead of the report.
2020 September	On 2020 September 18, Administration notified business case proponents and Council members of Administration's recommendation to be included in this report. Administration then met with business case proponents to continue to resolve outstanding technical issues.
2020 October 13	Administration brings forward the recommendation on the 11 business cases to the Priorities and Finance Committee.

Council-Directed Two Step Process

The first step of the NCGS 2020 process began in 2019 December by sending out a memo and directions on 2019 December 2 to known interested developers and BILD Calgary Region. Administration also included the memo and directions on The City's Citywide Growth Strategy webpage. The first step required proponents to submit a one page proposal that demonstrated how their business case met the following criteria:

- a) No required capital costs from The City of Calgary to initiate development;
- b) No required operating costs in the current One Calgary (2019-2022) budget or the next (2023-2026) budget cycle, without a proposed mitigating solution, that does not include tax and utility rate increases, using the existing model and any improvements made by the date of review;
- c) Completing areas of previously approved communities and leveraging capital investments already made in 2018 and prior years;
- d) Property tax generation potential; and
- e) Levy generation potential that funds new and established areas.

During the month of January, Administration consulted with the NCGS Working Group on changes to the evaluation criteria as a result of the current context and lessons learned from the 2018 process. The changes were to improve clarity and understanding of how the criteria would be measured. The evaluation criteria are included at the end of this attachment, and have been grouped under the three growth planning factors of Municipal Development Plan (MDP)/Calgary Transportation Plan (CTP) Alignment, Market Demand and Financial Impacts, with each factor having equal weight (33%). Under these three factors the criteria remained structured around the following MDP goals:

1. A prosperous economy;
2. Shaping a more compact urban form;
3. Creating great communities;
4. Urban design;
5. Connecting the city; and
6. Greening the city.

The criteria include both binary and qualitative components that are designed to assess the opportunity presented in the business case and measure how a business case meets City goals, policies and directives. All business cases have been evaluated against all criteria.

The second step of the process began on 2020 March 13 with the formal submission of the 11 business cases. Over the next two months Administration reviewed the business cases, during this time there was communication back and forth with business case proponents if there were questions of clarification or additional information requested. On 2020 June 1, Administration sent out comments to each business case proponent that highlighted discrepancies or gaps between Administration's understanding and the business case proponent's understanding. In this manner, Administration tried to improve the NCGS 2020 process by focusing on the issues of contention and coming to an agreement of facts or mutual understanding of each other's point of view. Once the comments were sent out Administration organized a meeting with each business case proponent to discuss each business case. These meetings were followed up with an exchange of information as required.

In reviewing the 11 business cases, Administration considered the cumulative impacts of approving one or more business cases in context of previous approvals, in addition to the review of the individual business case against the evaluation criteria. It was a combination of individual business case reviews and cumulative impacts that have led to the recommendations included in this report.

Stakeholder Consultation

Administration worked with BILD Calgary Region and the NCGS Working Group at the beginning of the process to formulate the evaluation criteria and create the directions and one page template for business case proponents to follow.

Administration also had a discussion with Calgary Economic Development about their involvement in the NCGS 2020 process. Calgary Economic Development declined to be involved directly in the evaluation of the business cases. It has been challenging to seek third party input to the New Community Growth Strategy process and outcomes, given that individuals with expertise in the subject may face a conflict with their firms or clients.

Administration also outlined the NCGS 2020 process on The City's Comprehensive Citywide Growth website in 2019 December. In 2020 September, prior to the report being published, this website and the Next Generation Planning website were updated with information about the process and how the public could participate in the Committee and Council discussions. Some social media posting was also undertaken.

Administration has kept the proponents up to date through regular communication, including meetings.

Table 1: New Community Growth Strategy 2020 Evaluation Criteria

Factor	MDP Goal	Definition	Criteria	Clarifying Direction
Strategic Alignment: Municipal Development Plan/Calgary Transportation Plan	Prosperous Economy	Planning for our economy's long-term sustainability ensures that current and future generations are resilient and adaptable to economic cycles and unanticipated changes.	1. How many temporary construction jobs are expected from development in the business case area?	Indicate how many direct and indirect temporary construction jobs are expected annually from development (expressed in person-years), in the business case area.
			2. How many future jobs/permanent jobs are expected within the business case area?	Indicate how many permanent jobs are anticipated, at development completion, within the business case area.
			3. How does the business case area support economic diversification for Calgary?	Explain how the business case supports an economic focus area as identified by Calgary Economic Development (e.g., the following sectors Energy, Renewable Energy & Green Economy, Financial Services, Technology, Agribusiness, Creative Industries, Aerospace & Logistics and Life Sciences).
	Compact City	A dispersed and spread out population creates some social, economic and environmental challenges. In a compact city, balancing growth between new and developed areas builds vibrant, thriving communities. A compact city is made up of complete communities that provide a broad range of housing choices and services, as well as high quality transit and transportation options.	4. Is the business case area contiguous?	Illustrate the location of the business case in relation to a fully developed community or an area with existing urban land uses (not S-FUD). Provide a GIS file for the business case with the preliminary road network.
			5. How does the business case area meet the intensity target of 60 people and jobs per gross developable hectare?	Demonstrate how the business case area meets the minimum intensity target of 60 people and jobs per gross developable hectare.
	Great Communities	Great communities are flexible. They adapt to the needs of current and future residents by providing a variety of housing options and services so that people can meet their day-to-day needs within their own neighbourhood. Essentially, it is about creating communities where residents can live, work and play.	6. How does the business case fit into the greater community?	Explain how the business case provides amenities and complements existing communities.
			7. How does the business case area immediately support existing non-residential development?	Explain how the business case supports existing non-residential development in the short term (next 1-3 years).
			8. How does the business case area integrate Neighbourhood Activity Centres (NAC), a Community Activity Centre (CAC), and/or leverage a Major Activity Centre (MAC)?	Illustrate the location of the business case in relation Neighbourhood Activity Centres, Community Activity Centres, and Major Activity Centres. (Greater and closer connectivity to a higher order activity centres is better.)
	Good Urban Design	Good urban design is the result of collaboration and coordination between various disciplines, creating public places that people enjoy.	9. How does the business case area support City facilities, such as libraries and recreation centres?	Illustrate the location of the business case in relation to facilities such as libraries, recreation centres, cultural centres. Administration will use existing catchment areas to measure proximity.
			10. How does the business case area demonstrate innovation or a new approach for development in Calgary (e.g. LEED, BREEM, green energy)?	Explain what innovative approaches for development will be used (e.g., LEED, BREEM, green energy).

	Connecting the City	The design of the transportation system has a significant impact on how a city grows and how people get around. The Municipal Development Plan encourages more sustainable transportation options such as walking, cycling and transit to create a system that provides more choice. This means prioritizing investment to improve transit networks, designing streets to accommodate cycling and walking, plus improved connectivity.	11. How does the business case area integrate with the Primary Transit Network in the MDP/CTP?	Explain how the business case area will connect to the Primary Transit Network either through location or service provision. Administration will measure walking distance and transit service connectivity.
	Greening the City	Protecting environmentally sensitive areas and promoting renewable energy sources, energy efficiency, low-impact development for stormwater management, construction of green buildings, and encouraging cycling and walking all work together to make Calgary more environmentally friendly.	12. How does the business case help deliver quality public spaces or open spaces for residents/employees?	Describe unique attributes about open spaces or public environment features that the business case area will provide.
	Managing Growth and Change	Founded on the principles of sustainable development and guided by fiscal responsibility and managed growth, these goals will stimulate growth and change across the city for the next 60 years.	13. How does the business case area use existing utilities, fire/emergency service, and transportation infrastructure?	Explain and confirm how the business case will leverage existing and/or budgeted utilities, fire/emergency service, and transportation infrastructure without new City capital costs.
Factor	MDP Goal	Definition	Criteria	Clarifying Direction
Market Demand	Managing Growth and Change	Founded on the principles of sustainable development and guided by fiscal responsibility and managed growth, these goals will stimulate growth and change across the city for the next 60 years.	14. What is the business plan for development approval starting from Land Use and Outline Plan to Subdivision Phasing?	Provide the status of technical studies such as Master Drainage Plan, Transportation Impact Assessment, etc. Provide the projected timeline of planning application submission and approvals including land use and outline plan, stripping and grading, and subdivision. Provide a subdivision phasing plan with expected year of development for each phase.
			15. Are there any considerations involving third parties? (e.g., public land claims, rights of way acquisitions, Provincial funding or approvals, arrangements involving other land owners/developers)	Indicate if there are any considerations involving third parties and how they would be addressed (e.g., public land claims, rights of way acquisitions, Provincial funding or approvals, court proceedings, other land owners/developers delivering infrastructure). What timeline do you understand a third party consideration to be resolved or delivered in.
			16. What factors (other than City timelines) may cause a delay in private investment from the timelines provided? How would you mitigate against these factors?	Explain how you would mitigate against any factors that may delay submitting a development agreement as indicated in the business case submission.
			17. How does the business case area benefit the city-wide serviced residential or non-residential growth capacity? How does it improve near term market competition?	Explain how development in the business case area addresses city-wide and sector/local serviced residential or non-residential market capacity. The City's forecasted demand is outlined in the <i>Suburban Residential Growth 2019-2023</i> document, including consideration for the 14 new communities. Please demonstrate how the development fits
			18. How does the business case area benefit the sector/local serviced residential or non-residential growth capacity? How does it improve near term market competition?	

Factor	MDP Goal	Definition	Criteria	Clarifying Direction
Financial Impacts	Managing Growth and Change	Founded on the principles of sustainable development and guided by fiscal responsibility and managed growth, these goals will stimulate growth and change across the city for the next 60 years.	19. What are the City of Calgary annual operating costs for the business case area over the lifetime of the development?	<p>Please fill in the attached spreadsheet. The City will complete a direct incremental operating cost review to determine if an operating gap exists for the services identified in the no required operating cost funding for City funded operating costs prior to 2027. The City will calculate the cumulative impact of the 14 new communities and any new business cases received. The City will assume the 14 new communities will build out as indicated.</p> <p>The City will calculate the total amount of levies to be contributed using 2020 rates.</p> <p>The City will calculate the annual City portion of the property tax revenue for the business case using the 2020 property tax rates.</p>
			20. What is the anticipated total amount of levies to be contributed by the business case area?	
			21. What is the average annual City portion of the property tax revenue for the business case area over the lifetime of the development?	
			22. What is the capital investment required to development the business case?	
Other	Other	23. Are there any other key attributes that should be highlighted about the business case area? Examples could include improvements to city resiliency and sustainability, service efficiency, alignment to other City initiatives, and innovative approaches.		