

May 31, 2021

**Delivered by Email**

The City of Calgary  
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Calgary, AB T2P 2M5

Attention: Members of Priorities and Finance Committee

**RE: PFC2021-0639: New Community Growth Strategy**

BILD Calgary Region (BILD CR) thanks the Calgary Growth Strategies team for engaging Industry in follow up to Councillor Davison's Council approved motion of November 5, 2019, directing Administration to explore the phasing out of the Growth Management Overlay (GMO) process. As with a number of initiatives, progress in responding to the direction to Administration approved by Council was delayed due to the COVID-19 public health emergency. Industry understands that The City will invite proponents to submit business cases during the next New Community Growth Strategy process, to be aligned with the start of development of the 2023-2026 service plan and budget cycle anticipated to be in Q4 2021.

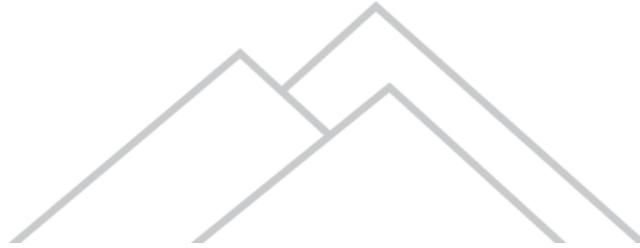
Although, Industry would have preferred to enter The City's next round of new community growth evaluations with Council's GMO direction to Administration fully addressed and, in any event, different processes for 'capital cost impact' and 'no capital cost impact'; nevertheless, Industry does not want the next business case intake cycle to be delayed. In the interim, to enable Administration the time to complete its work on Council's GMO direction, Industry supports proceeding with the 2022 process in an open and transparent manner with a greater focus on the merits of individual business cases.

Industry is beginning to experience supply-related issues in Calgary, in both new land approved for development and available housing in certain areas of the City, which added to other market factors (i.e., increases in raw material costs and lot prices) results in housing affordability concerns. Unaddressed, these issues will get significantly worse with time. Industry is committed to working with the Calgary Growth Strategy team to address these issues as well as ensure an improved New Community Growth Strategy intake, evaluation, and approval process for 2022 works as smoothly as possible.

Industry is pleased with the team's intent to embed a third party and Industry perspective on land supply to get a timelier forecast that includes demand considerations. We are concerned that several business case proposals were refused in the New Community Growth Strategy 2020 process yet met the criteria with no City capital infrastructure funding requirements. Industry relies upon the decisions of policy makers and the predictability of the processes and procedures, which result from those decisions, to evaluate and make investments. The reliance on the stability of given decision and the predictability of

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corresponding processes is a key factor in competitively attracting investment into all aspects of The City's growth plan – new communities, established areas and industrial areas. We are optimistic that the Administration's proposed refinements in the review process will better assess these situations in a more fair, reasonable, and transparent evaluation than in the past.

As we progress through the 2023-2026 business cycle, it is imperative that the Council directed work required to evaluate the phasing out of the GMO process is not delayed. It is critical that Administration works with the Industry to develop a more efficient and effective process to coordinate strategic growth infrastructure investment decisions with budget and land use approvals. In particular, BILD believes, for applications that do not require investment of City capital, that there are opportunities to develop more flexible processes which are in alignment with the outline plan process and better serve Calgarians.

In summary BILD supports:

- Maintaining the current New Community Growth Strategy business case intake timing, anticipated to start later this year, given the delays in addressing Council's direction in respect to exploring the phasing out of the GMO process;
- That the next New Community Growth Strategy process be more open and transparent, with individual New Community business cases being evaluated on their individual merit;
- Amongst other business cases in which The City may decide based on merit to approve, New Community business cases which do not require investment of incremental City capital be approved; and
- Engagement of Industry regarding the timely investigation of the phasing out of the GMO consistent with Council's direction.

BILD looks forward to working with Administration to reduce the regulatory and cost burden on Industry and home purchasers. Industry envisions a new process aimed at saving time, money, and resources (both City and Industry) while protecting The City's finances and market affordability. We thank Administration for continuing to work with Industry on the Citywide Growth Strategy, and we thank members of the Priorities and Finance Committee for the opportunity to bring forward our Industry's input on the GMO mechanism and the review process by which Council approves new community development.

Yours truly,  
BILD CALGARY REGION

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Chief Executive Officer, BILD Calgary Region

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