

Detailed Evaluation of Developer Funded Area Structure Plan Program

Administration was successful in completing the six ASPs on-time and on-budget. The ASPs all included innovative policies that will result in complete communities that are thoughtfully designed. It is worth noting that through the DFA program, Administration has now planned an additional 4,733 hectares of land and this land is anticipated to:

- Be home to 187,425 people;
- Include places of employment for 53,350 jobs;
- Develop into 11 new communities and 44 new neighbourhoods; and
- Include 1 new Major Activity Centre and 6 new Community Activity Centres.

From the objective of satisfying Council's direction, the DFA program was an unqualified success. However, many risks were identified at the outset of the project and this Attachment provides an evaluation of the risks, how they were mitigated, and what work is still outstanding with respect to achieving the visions of the ASPs.

Topic: Simplifying the Form and Content of an Area Structure Plan

In late 2013 Administration began a review of the ASP structure and process and identified that:

- Recent ASPs were lengthy and could become cumbersome to administer;
- A significant portion of recent ASPs have a substantial amount of repeated policy amongst each policy plan;
- A large portion of the policy already exists within other City policy documents; and
- Each ASP has unique features that require dedicated attention through multiple City Business Units and various stakeholders.

To address the above issues, a new structure for ASPs was proposed in the DFA program. The structure is underpinned by the adoption of the New Community Planning Guidebook ("Guidebook"). The Guidebook provides common policy and supplements the local plans developed for specific geographic areas.

Risks:

Creating two levels of plans reduces the "one window" approach to planning new communities. ASPs would not have all of the development guidelines and policies for a plan area, and important supporting information could be lost. Further, the purpose of the Guidebook might not be understood and stakeholders may not understand that they need to read two documents (at a minimum) to understand the full policy direction for an area.

Mitigation:

These risks were mitigated by a concerted effort by staff to educate stakeholders on how the Guidebook and ASP work together. During implementation, there will need to be additional rigor on the part of the reviewing planner and the Corporate Planning Applications Group (CPAG) to be sure that all policy direction is followed.

Discussion:

The creation and adoption of the Guidebook allowed the Pilot Project team to focus efforts on creating ASPs based on the contextual elements of the Plan Areas. It is important to note that

the complete picture of the Plan Areas is created by reading the Guidebook with the particular ASP; the ASP cannot be read in isolation.

The ASPs are predominantly contextual to the Plan Area. They used an enhanced graphic interface and cut down significantly on “preamble” text, instead focusing on policy direction. The traditional inclusion of background information in appendices (non- bylaw) was also substantially reduced in favor of referencing where information can be found in other City documents.

Ultimately the approach met with favored response from stakeholders, CPC and Council. The ASPs are focused on the physical planning of the Plan Areas with less prescription, and more focus on the high-level structure of neighborhoods.

Outcome:

Administration was successful in simplifying the form and content of ASPs.

Topic: Developer-Funded Approach to Area Structure Plans

Council directed the creation of the Developer Funded ASPs using an Administration-led process whereby Plan Area landowners would fund the ASP work and Administration would develop the ASP and manage the process. To meet Council’s timeline of six ASPs completed by 2015 December 31, additional staff resources were acquired and Administration had to quickly figure out the logistics as to how The City could track time, bill developers for it, and deliver a project free of bias.

Risks:

With a developer-funded approach, there is the potential for a perceived conflict of interest with a developer paying for City staff time to complete an ASP that is directly to their benefit. There may be discrepancy over the Terms of Reference for the project, and developers’ expectations may extend beyond the scope of an ASP or what Administration can support. Developers may feel they are paying for an “approval” rather than an ASP, which is not the intent of the project. Also, should funds run out for the project, developers may not want to pay more to finish the project.

Mitigation:

Administration created a binding legal agreement that articulated the roles and responsibilities of all parties, plan processes, expectations, limitations, and exclusions. Administration also made sure that internal and external stakeholders “bought in” to the Terms of Reference. And lastly, Administration crafted a funding mechanism that minimized risk but offered the most flexibility and resiliency to scope change.

Discussion:

Administration’s inherent role in policy development is to represent the public interest. To do so the ASPs were developed with internal resources but with enhanced collaboration with external stakeholders. Consistency with existing City documents was adhered to and Administration maintained The City’s vision for development of new communities. .

Using a City-led process resulted in capacity building among staff not only on the ASP content itself but on project management processes that can only be gained through leading the ASPs. Staff gained an enhanced appreciation of streamlining processes, real-time decision-making and collaborative working relationships with stakeholders. In addition staff developed critical

policy planning attributes which builds staff skill sets, capacity, and professional competence, creating a stronger, more adept Administration in the long term. It also contributed to corporate memory, which is critical to facilitating work at later stages (e.g., Outline Plan/Land Use Amendment) in the planning process.

The Funding Agreement with the principle Funder (for the DFA program, this meant the landowner with the largest land holdings) created a binding legal agreement articulating the roles and responsibilities of all parties. It also expressed that the funder is paying for the work leading to the completion of an ASP, not for any particular decision rendered by Administration, CPC or Council.

Outcome:

The developer-funded approach worked well with no issues regarding funding allocation, conflicts of interest, or expectations.

Topic: Fairness to Stakeholders

The developer-funded approach may be perceived as potentially unfair as it requires a landowner to have a sizeable amount of funds to advance ASP preparation for their land. The preparation of ASPs may therefore not align to a logical sequence of growth and the approach opens up the possibility that landowners have to “pay to play.”

Risks:

The developer-funded approach opens up the possibility of “queue jumping,” in which the developers with the most financial capacity can essentially pay to have their ASPs advanced. This may undermine a logical sequence of plan preparation, and it may be unfair to developers or landowners who do not have the financial resources to fund an ASP. It is also possible that developers or other landowners may request ASPs for areas that may be more logical to plan first, but are not on the developer-funded program. There is no process in place to accept new requests for areas outside of the DFA program.

Mitigation:

Some risks with this topic were not possible to mitigate. The nature of the DFA process is that landowners must have access to funds to pay for ASP creation, and by nature this may privilege developers with sufficient financial means.

Discussion:

More discussion and decisions are required on the matter of “queue jumping,” logical sequencing of growth, and fairness to all landowners. The issue of ASP preparation and its relationship to Growth Management Overlay removal, City budget preparation and setting The City’s strategic growth direction requires consideration to ensure fairness. This work is ongoing.

Outcome: Administration made all efforts to make the process fair for all stakeholders, but the nature of the developer-funded process inherently means that landowners will need access to funds to advance planning of their land.

Topic: Adherence to The City's Strategic Growth Efforts

The completion of the ASPs also does not necessarily reflect the readiness of areas to proceed for development or align to The City's strategic growth efforts, including setting capital and operating budgets, infrastructure prioritization and strategic growth direction. This presents many risks to the DFA process and further decisions are yet to be made regarding the sequencing and funding for growth in the ASP areas.

Risks:

Development of some ASP areas is still projected to be many years off (decades in some cases) and it is difficult to plan for areas so far ahead of solutions for servicing and development commencing.

The work plan for ASPs also may result in large imbalance of planned land in relation to serviced land. Once the land is planned with an ASP in place, there is more pressure to service the land especially when The City has indicated that timing of infrastructure investment is beyond 10 year capital planning.

Should many ASP areas be permitted to develop all at once, partially completed communities may result as market absorption is spread among a larger group of communities. This impacts The City's objective in facilitating complete communities.

Interim infrastructure and servicing solutions may be difficult to refuse based on technical merit, which may result in temporary infrastructure solutions that may not be ideal. Infrastructure decisions may be considered on a development by development basis, raising the risk of a lack of comprehensive servicing strategy.

Mitigation:

Administration clearly communicated that the completion of an ASP does not result in the acceptance or approval of Outline Plans. For these plans, the Growth Management Overlay regulates when an Outline Plan can be accepted and this is the new "gate" to new community development. The Overlay can only be removed when the applicant has an approved servicing strategy in place. Through the Industry/City Work Plan, Administration is currently working with industry to develop processes that should help to manage expectations and clarify requirements for industry, while also ensuring Council has control over City investments in servicing, budgets and the strategic direction of growth.

Discussion:

Issues regarding the logical sequencing and funding of growth persist. With six new ASPs approved through this program, decisions regarding infrastructure and growth need to be made with an eye to logical sequencing of growth, building complete communities, and return on infrastructure investment.

Outcome:

Administration mitigated the risks of raising unrealistic expectations and maintaining the "gate" on new community development by creating the Growth Management Overlay approach. However, decisions still need to be made regarding when, and under what circumstances, ASP areas can build out.

Topic: Currency and Relevancy of ASPs

Several of the ASP areas are anticipated to be many years away from development (in some case, decades). This means that the areas have now been planned at an ASP level according to today's planning paradigms. By the time the ASP areas are ready to build out, many changes could have taken place in planning approaches and the ASPs may no longer be relevant.

Risks:

It is very challenging to plan for new communities with expected build-out timeframes decades into the future. In between now and the time communities build out, many assumptions and approaches can change, including planning objectives, infrastructure needs, market preferences, etc.

Mitigation:

Much of the risks will be mitigated through the New Community Planning Guidebook, as this document provides the foundational policy direction for new communities and it is intended to be a "living document" that is updated regularly as planning paradigms change. Therefore, only minor changes may be required to individual ASPs as time goes on, since the majority of policy direction will be determined by the Guidebook. The six newly created ASPs will withstand changes in administrative policy more than previous ASPs since the majority of policy is specific to the Plan Area context.

With limited staff resources Administration has historically not been able to make monitoring existing statutory plans for their currency and responsiveness a priority over other initiatives. However, the risk of having outdated plans could be mitigated in the future by monitoring the relevancy of the ASPs over time.

Outcome:

Administration has in part mitigated the risk of producing outdated ASPs by creating the New Community Planning Guidebook. However, monitoring of the ASPs may be required over time, and amendments to the ASPs will likely be necessary once these areas are ready to build out to align them to contemporary planning thinking.