

Growth Management Overlay Review: Refine and Rethink Approach – PFC2021-0639

The *Refine and Rethink* approach outlined below includes a series of actions to explore in the short- and medium-term. The first set of actions, in the Refine stream, are to be explored and implemented as part of an improved approach to the 2022 Citywide Growth Strategy: New Communities Business Case review process, with work beginning immediately. These changes reflect a shared understanding among Administration and development and building industry (“Industry”) stakeholders on the need to ensure that this upcoming review process can proceed as effectively and efficiently as possible in the lead up to the 2023-2026 service plan and budget process.

The second set of actions, in the Rethink stream, form the basis for continued and ongoing collaboration to explore alternatives to the Growth Management Overlay mechanism and Business Case review process. These items fully reflect the original Council direction for this work, and are informed by ongoing conversation with the New Community Working Group, with an emphasis on creating a more business friendly approach that maintains the link between land use approvals and City service plan and budget an decisions, with continued consideration of overall Municipal Development Plan/Calgary Transportation Plan Alignment, Financial Impact, and Market Demand.

This attachment can serve as a shared understanding for proceeding with these actions.

Growth Management Overlay Review: Refine Phase	
A. Market	
1.	Seek third party market supply and demand data to validate and complement City forecasting, and use third party input to reflect supply timelines to align with stakeholders' understanding of the servicing and delivery of lots.
2.	Place greater emphasis on geographic sector and housing type market supply and demand, including better understanding of specific parcel timelines.
3.	Complement the Suburban Residential Growth (SRG) report with enhanced opportunities for stakeholders to provide the most up to date information available on tentative plans and builder timelines.
4.	Ensure these changes to market demand are undertaken in a way that prioritizes simplicity and leverages opportunities to streamline the Business Case review process.
B. Cumulative Impacts	
1.	Identify situations where multiple Business Cases can contribute to operating cost efficiencies (e.g., a transit route, fire coverage) and consider ways to acknowledge these efficiencies in the Business Case evaluation.
2.	Consider the capital impacts of multiple Business Cases in the aggregate. Consider developing a way to evaluate and make a recommendation on a geographic cluster of Business Cases that together require capital but do not individually.
3.	Clarify what cumulative impact evaluation means and how Administration will use it to evaluate Business Case specifics in terms of Municipal Development Plan/Calgary Transportation Plan alignment (MDP/CTP), market demand, and financial impact.
4.	Clarify how MDP citywide criteria are to be used in the evaluation. Commit to a balanced evaluation that highlights both alignments and misalignments.

C. Process
1. Ensure that in the evaluation of Business Cases, Administration provides comments from a consistent technical foundation and set of standards, and a policy foundation rooted in the MDP/CTP.
2. Provide more complete guidance for Business Case intake, while still endeavouring to be efficient and brief.
3. Explore a simplified and streamlined review process for any Business Case previously reviewed in 2020 that is focused on updates to those proposals and any changes in supporting context.
4. Improve transparency and communication between Administration and proponents, with an emphasis on clearly sharing analysis relied upon for recommendations.
5. Seek the level of detail that best aligns with where a proponent is at in the approvals process (pre-application, outline plan/land use, subdivision, etc).
6. Establish a two to three week response and clarification period so that review conclusions can be addressed by proponents prior to report finalization.
D. Communications
1. Clearly communicate the scope and size of the Business Cases, emphasizing whether they are completing an in-progress community or starting a new one. Commit to clear communication around the process being an evaluation for strategic growth in new community areas.
2. Ensure that a business-friendly mindset is applied to how the Growth Management Overlay is approached and how decisions are communicated. Reinforce business friendliness and messaging that is positive to investing in Calgary.
E. Approvals
1. Explore how to provide opportunities for proponents and stakeholders to speak to Committees and Council.
2. Consider structuring the report recommendation into two streams or portfolios: one where City capital investment is required, and another where no City capital investment is required.

Growth Management Overlay Review: Rethink Phase

F. Future

1. Continue to pursue further conversation on how to improve the strategic decision process for new community growth and investment with a closer link to the City service plan and budget timing.
2. Explore conditions under which interim servicing arrangements may be an option.
3. Continue to collaborate with Industry and work transparently on the ongoing evolution of The City’s operating cost model, keeping simplicity and streamlining of the Business Case review process in mind.
4. Consider alternative, more flexible processes for Business Cases that do not require City capital investment, where alignment with policy, financial impact (operating cost), and market factors (can be demonstrated, potentially through the Outline Plan process).
5. Continue to explore the potential to phase out the Growth Management Overlay as directed by Council. Develop alternatives to the Growth Management Overlay that maintain a link with the Citywide Growth Strategy, off-site levy bylaw, general service plan and budget, and continued consideration of policy alignment, financial impact, and market factors.