

Background & Previous Council Direction

The purpose of this attachment is to provide a summary of the background and previous Council decisions that led to this report and the review of the two business cases that propose to reallocate Growth Management Overlay removal areas in Belvedere. This attachment also includes background on previous decisions regarding 17 Avenue SE and the transit corridor discussed in Attachment 4.

Background

Introduction of the Growth Management Overlay

In 2012, Council approved the use of Growth Management Overlays (GMO) in individual Area Structure Plans (ASP) in order to manage growth related funding gaps and strategic alignment with Council priorities. The Belvedere ASP, which is the relevant ASP for this report, was approved with a GMO in 2013. Later In 2013, through the C2013-0057 New Area Structure Plan Process report that introduced developer funded ASPs, Council endorsed the continued use of GMOs and identified the need to resolve infrastructure and services funding gaps prior to further progression and approvals in the planning continuum.

2018 New Community Growth Strategy

In early 2018, Council provided direction for a New Community Growth Strategy through a Strategic Session of Council in January (verbal report C2018-0122), through report PFC2018-0200, and with the setting of indicative rates in report C2018-0489. Foundational to the New Community Growth Strategy, Administration and industry representatives agreed on six principles that were developed together in the fall of 2017 to guide this work, they are; 1) Collaborate, 2) Incorporate a market oriented perspective, 3) Advancing new development, 4) Establishing accountable processes, 5) Cumulative impact considerations on capital and operating costs, and 6) Shared risk.

On 2018 July 30, Council approved 14 new communities as part of the 2018 New Community Growth Strategy (PFC2018-0678, C2018-0900). This included two communities in the Belvedere ASP. Council directed that required capital and operating investments to support these communities be added to the One Calgary (2019-2022) service plan and budget, and these investments were funded almost entirely with off-site levies and a dedicated citywide property tax increase. The Belvedere area benefitted from the approval of a new fire hall and associated operating costs and investments in sanitary and water infrastructure.

At the time of Council's approval of the 14 new communities, a community was defined generally by the community boundaries approved within Area Structure Plans. Since that time, some of the business cases have moved forward in the land development process and have received Council approval of new community boundaries and names. These new community boundaries and names no longer add up to 14. For consistency, Administration continues to reference the 14 new communities as they were approved in 2018 July. To avoid this from occurring in the 2020 New Community Growth Strategy 2020 process, Administration only refers to applications as business cases from now on.

Previous Council Direction

2020 New Community Growth Strategy

On 2019 November 18, in recognition of The City's financial constraints, Council directed a modified business case process as outlined in PFC2019-1062. Council directed that any business case accepted for review was expected to (1) have no operating costs prior to 2027 and (2) have no City-funded capital costs required to support the initiation of development (PFC2019-1062). This was in addition to existing review criteria that reflect the three growth decision making factors – Municipal Development Plan/Calgary Transportation Plan Alignment, Market Demand, and Financial Impacts.

In 2020, 11 business cases were submitted to Administration as part of the 2020 New Community Growth Strategy. On 2020 November 3, Council did not approve any of these business cases (PFC2020-0963). Five business cases were in the Belvedere ASP.

An amendment to main motion was approved by Council at this same meeting, specific to Belvedere:

This report responds to recommendations 6, 7 and 8 of PFC2020-0963:

6. *That Council direct Administration to work with Belvedere landowners and consider options for adjustments/ reallocation and sequencing of existing GMO removals and proposed Business Cases for targeted GMO removals along the 17 AV MAX Purple BRT transit corridor.*

That the following proposed amendments, Recommendations 7 and 8, be referred to Administration until early results are available from Recommendation 6 and to identify a funding source for this work to report to Council through the Priorities and Finance Committee as soon as possible:

7. *Establish a funding and timing framework for the prioritization of the 17 AV MAX Purple BRT transit corridor; and*
8. *Report back to Priorities and Finance Committee no later than Q2 of 2021.*

As Administration was sufficiently satisfied that (1) “early results” from landowners did demonstrate that reallocation of existing GMO removals was possible, and that (2) the landowners were committed to funding the business case evaluation work of City staff, Administration is responding to all three directions in this report.

Exploration of the Phasing Out of the Growth Management Overlay

Relatedly, Administration has also been directed to explore the phasing out of the Growth Management Overlay (GMO) as a tool for strategic new community growth. This work is scheduled to return to Council by Q2 2021 through PFC2021-0639, and will be heard on the same agenda as this report.

On 2019 November 18 through PFC2019-1062, Council directed Administration to:

5. *Explore the phasing out of the growth management overlay, and report back to Priorities and Finance Committee no later than Q2 2020 with options to better align to our current economic situation and that creates policy that encourages a business-friendly environment and further development investment and retention in Calgary.*

On 2020 June 15, through PUD2020-0698, this work was deferred to return to Council by Q2 2021.

Belvedere Transportation Infrastructure and the 17 Avenue SE MAX Purple Transit Corridor

On 2018 July 30, Council approved removing the Growth Management Overlay (GMO) from two business case areas in the Belvedere ASP (Attachment 3), and further directed adding the required capital and operating investments necessary to initiate the development of the communities to the One Calgary (2019–2022) service plan and budget. The 2019-2022 budget included capital funds for The City's share of 17 Avenue SE along the south boundary of the Mountain View Funeral Home and Cemetery, as well as funding to advance design only of the Stoney Trail – Memorial Drive SE overpass and CN Rail overpass, between 68 Street SE and the east boundary of the Transportation & Utilities Corridor (TUC).

On 2020 December 14 through TT2020-1289 ([Route Ahead Prioritization of Future Capital Projects](#)), Council updated transit project priorities. This report included information on two projects relating to 17 Avenue SE including the extension of the MAX Purple Transit Corridor and transitway infrastructure from its current end points at East Hills Shopping Centre (end point of the MAX Purple route) and 52 Street SE (end point of the transitway infrastructure), respectively. As part of this report, Administration identified that the timing and sequence of these projects will be dependent on the pace of development along 17 Avenue SE but will eventually see the transitway and MAX service extend to the City limits. This infrastructure will also support future regional transit services to Chestermere.