

Citywide Growth Strategy – Three Growth Management Overlay Removals Arising from IP2022-0986

RECOMMENDATION(S):

That Council:

1. Hold a Public Hearing on Bylaw 7P2023 (Attachment 3, Glacier Ridge Area Structure Plan) and give three readings to the proposed Bylaw 7P2023 in Attachment 3; and
2. Hold a Public Hearing on Bylaw 8P2023 (Attachment 4, Rangeview Area Structure Plan) and give three readings to the proposed Bylaw 8P2023 in Attachment 4.

Separate public hearings are required for each of the bylaws (7P2023 and 8P2023) identified in the recommendations above.

HIGHLIGHTS

- On 2022 October 4, Council directed Administration to remove Growth Management Overlays associated with three new community business cases – in whole or in part, as applicable – once the status of supporting infrastructure in the 2023-2026 Service Plans and Budgets was determined. This report provides the relevant Area Structure Plan amendments to implement Council's direction.
- What does this mean to Calgarians? Land with capacity for 3,950 additional homes in the northern and southeastern new community markets will be made available for development over the coming years.
- Why does this matter? Enabling growth on these lands will help Calgary maintain a competitive residential land supply while supporting housing choice and affordability. Through these decisions, The City is committing to the short- and long-term investments needed to support development and selecting where future growth will be enabled.
- The recommended Area Structure Plan amendments aim to strike a balance between supporting private investment and making the most of existing infrastructure capacity during a transitional period for The City's new community growth decision making process.
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

This report responds to direction from 2022 October 4 (IP2022-0986) to return directly to Council with amending bylaws to remove Growth Management Overlays for three new community proposals in the Rangeview and Glacier Ridge Area Structure Plans (ASPs). If approved, these amendments would enable the next steps of development to be taken in the following areas (see Attachment 2 for locations):

- A. Glacier Ridge Area Structure Plan – Community C (Proponent: Qualico);
- B. Glacier Ridge Area Structure Plan – Community D Cabana (Proponent: Brookfield); and
- C. Rangeview Area Structure Plan – Trafford (Proponent: WestCreek).

Evolution of Recommendation

Nineteen business cases were originally reviewed as part of the Citywide Growth Strategy in the 2023-2026 Service Plans and Budget report (IP2022-0545, 2022 July 26). Five were approved and their Growth Management Overlays were removed (C2022-0964, 2022 September 13). In

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parallel, three (A, B and C above) were identified as strong candidates, but with several issues and risks. Council directed Administration to undertake further analysis and report back with an updated recommendation. A recommendation was delivered and approved by Council, alongside a number of risk mitigation strategies through IP2022-0986 on 2022 October 4.

Mitigation strategies included:

- Removing only part of the Growth Management Overlays in Glacier Ridge to align with infrastructure capacity; and
- Finalizing Growth Management Overlay removal only after supporting infrastructure was confirmed funded in the final, approved budget.

Infrastructure Funding in 2023-2026 Services Plans and Budgets

On 2022 November 25, Council approved the 2023-2026 Service Plans and Budgets that include components of infrastructure and operating funds that are necessary to support these growth areas, including 144 Avenue NW West Nose Creek Bridge, the Mountain View Pump Station, and the initial portions of the North Calgary Servicing Option.

Determining the Area for Growth Management Overlay Removal

Through further discussions, the Glacier Ridge Cabana (B, above) proponent, Brookfield Residential, indicated that investment and development would be challenged without the removal in full of the Growth Management Overlay from their area. Reflective of an evolution in risk mitigation from IP2022-0986 noted above, Administration is recommending that the full Growth Management Overlays from both proposals in Glacier Ridge can be removed because of:

- The inclusion of a proposed policy amendment to the Glacier Ridge Area Structure Plan (see Attachment 3) that requires future planning approvals align with infrastructure capacity, ensuring approvals are not provided beyond existing capacity (2,000 people or 650 homes for each growth area); and
- Subsequent direction from Council at the 2022 September 20 Strategic Meeting of Council (C2022-1057) that signalled the end of the use of the Growth Management Overlay policy tool in favour of a continuous submission process and the associated removal of all Growth Management Overlays from all Area Structure Plans by Q2 2023.

The Growth Management Overlay is the current mechanism by which The City signals to land developers which lands have financial commitments for infrastructure and services necessary to initiate development and which do not. The evolution to a new system initiated by Council's direction is underway. As this report is coming forward during this transitional period, the recommendation aims to balance these two realities, while also carrying out The City's role as a service provider and regulator that is flexible and responsive to business needs.

EXTERNAL ENGAGEMENT AND COMMUNICATION

- | | | | |
|-------------------------------------|---|-------------------------------------|---|
| <input type="checkbox"/> | Public engagement was undertaken | <input checked="" type="checkbox"/> | Dialogue with interested parties was undertaken |
| <input checked="" type="checkbox"/> | Public/interested parties were informed | <input type="checkbox"/> | Public communication or engagement was not required |

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Discussions with proponents were held from July to December 2022 to discuss overlay removal areas and ways to manage identified risks. Proponents were advised of this report's recommendation and were in support.

Rocky View County was notified of the proposed Glacier Ridge Area Structure Plan amendment on 2022 December 8, in accordance with the 30 day circulation requirements of the Intermunicipal Development Plan. As of the publishing of this report, no response has yet been received.

The proposed amendments were advertised for comment on the City of Calgary's Planning Matters website on 2022 December 29 ahead of the public hearing. Members of the public have an opportunity to attend the hearing and provide comments.

IMPLICATIONS

Social

This work supports a balanced, citywide growth strategy through evaluating new growth opportunities using a holistic set of evaluation factors. Any new communities approved for growth are expected to offer housing choices that facilitate a diversity of lifestyle options, while helping support housing supply and affordability for Calgarians.

Environmental

As Calgary grows, collaboration with development partners helps align growth outcomes with climate and environmental goals. New community development is the most greenhouse gas intensive way to grow and can increase climate risk due the loss of natural assets that support resilience and increased exposure of infrastructure assets to climate hazards. To help mitigate these impacts, specific tools and programs will be explored in subsequent planning stages, such as the Net Zero Priority File Stream to incentivize low carbon building designs, and development of EnerGuide labels for new homes. Additionally, proposed new communities are expected to reflect a more compact urban form as per Part 2.2 of the Municipal Development Plan.

Economic

Investments in growth and development are an important economic driver for Calgary. Regulatory certainty for these three proposed new communities helps drive private investment decisions and job creation and align with the Municipal Development Plan policy goal of creating a prosperous and diverse economy [Part 2.1].

Service and Financial Implications

Other:

\$0

All growth requires funding and investment. The 2023-2026 operating budget requirements for these three proposed new community business cases is estimated to be \$225,000 and has been accounted for in the approved 2023-2026 Service Plans and Budgets.

Analysis on these lands as part of IP2022-0545 concluded that no new capital infrastructure investments are triggered by these proposed new communities in order to initiate development.

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They will, however, be supported from previously committed and newly approved City infrastructure investments. This includes the 144 Avenue NW West Nose Creek Bridge, the Mountain View Pump Station, and the initial portions of the North Calgary Servicing Option, which were included in the 2023-2026 Service Plans and Budgets.

RISK

There are three other risks associated with the report:

1. **Climate:** Removal of Growth Management Overlays in these proposed and other new communities is not well aligned with the Climate Strategy and will make it more difficult to achieve mitigation and adaptation goals. Development of the new communities will increase greenhouse gas emissions and increase climate risk by removing natural assets that enhance resilience and increasing the exposure of infrastructure assets to climate hazards. Opportunities to mitigate these risks may be considered in subsequent stages of the approvals continuum.
2. **Financial:** While there is no direct financial risk associated with this decision, utility capacity increases beyond present availability in Glacier Ridge will require significant new infrastructure to be added to the Off-site Levy Bylaw (anticipated in 2023). The City will also continue to assess financial risk associated with this type of debt-funded infrastructure for which there is a current and forecasted shortfall in levy collections. Other capital infrastructure and operating financial investments may be necessary to accommodate future capacity. The timing of these investments is not known at this time.
3. **Servicing Expectations:** Infrastructure to service the balance of the Glacier Ridge proposals will be considered in future budget cycles. However, budget priorities are subject to change and approval depends on future decision-making. The Glacier Ridge proponents have been made aware that this risk exists, and the full Growth Management Overlay removal is not a commitment to service the full lands at any point in time.

ATTACHMENT(S)

1. Background and Previous Council Direction
2. Business Case Location Map
3. Proposed Bylaw 7P2023 (Glacier Ridge ASP)
4. Proposed Bylaw 8P2023 (Rangeview ASP)
5. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalglish	Planning & Development Services	Approve
Carla Male	Corporate Planning & Financial Services	Inform