

MARKET INTELLIGENCE GROUP: TERMS OF REFERENCE

EXECUTIVE SUMMARY

The purpose of this report is to bring to Council the Terms of Reference for the new Market Intelligence Group. This responds to Council direction received in 2013 December as part of the Land Supply Strategy, itself a part of The City's ongoing growth management efforts.

The Market Intelligence Group brings together representation and expertise from the development industry, government, and market/economic development organizations. The group will discuss land supply issues, including sufficiency of current supply relative to demand, expected demand patterns, and measurement of supply. In addition to assisting decision-making in The City's growth management process, the group aims to increase the understanding of land supply in industry and government by providing a forum for discussion.

The Terms of Reference provides the necessary structure to allow the group to succeed.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Planning and Urban Development recommend that Council receive this report for information.

RECOMMENDATION OF THE SPC ON PLANNING AND URBAN DEVELOPMENT, DATED 2014 MARCH 18:

That the Administration Recommendation contained in Report PUD2014-0237 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2013 December 16, Council adopted, as amended, the report PUD2013-0772 – Framework for Growth and Change: Land Supply Strategy. Two recommendations from that direction are relevant to this report:

1. Approve in principle, the Land Supply Strategy outlined in the Attachment, for the purpose of development of a Terms of Reference for the Market Intelligence Group, and for sequencing of the priority list and land supply monitoring.
5. Bring forward the Terms of Reference for a Market Intelligence Group through the SPC on Planning and Urban Development no later than March 2014 and implement no later than June 2014.

BACKGROUND

Land supply was identified as one of the seven original Council approved principles for the Framework for Growth and Change:

“Maintain an optimally balanced land supply in Developed and Developing areas that ensures capacity for growth, consumer choice and competitive residential markets while also ensuring that The City can provide services to support the development of complete communities.”

MARKET INTELLIGENCE GROUP: TERMS OF REFERENCE

Administration presented the Land Supply Strategy to Council in 2013 December. This Strategy contained mechanisms that informed the Framework's sequencing process, allowing for the Municipal Development Plan (MDP) Alignment List to be sensitive to market forces. The Land Supply Strategy attempts to balance the need for growth capacity for all development types, while also considering The City's finite capacity to provide infrastructure and services and seeking to achieve the vision of the MDP.

Land Supply has remained a key consideration for many stakeholders from the Framework for Growth and Change project work. It is a topic that generates significant discussion, both in the interpretation of current supply and the projection of future supply.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration recommended the creation of a Market Intelligence Group as Strategy #10 in the Land Supply Strategy. As land supply is a complex topic, involving many assumptions and inputs, it is beneficial for stakeholders to hear the diversity of opinion from analysts and market participants.

Both Administration and stakeholders were interested in continuing discussions started during the development of the Strategy. The Market Intelligence Group concept has received broad support from stakeholders. This group will draw upon the expertise of its members to increase the overall understanding of market dynamics, leading to greater awareness and more informed decision making.

Stakeholder Engagement, Research and Communication

Administration leveraged the work of the Framework for Growth and Change project to build an initial list of stakeholder groups that represent industry, government and economic development. Another two groups were added based on suggestions by these stakeholders. Membership will be periodically reviewed by the group to ensure strong representation is maintained. The 10 committed groups are:

- Building Owners and Managers Association (BOMA) – Calgary
- Calgary Chamber of Commerce
- Calgary Economic Development (CED)
- Calgary Real Estate Board (CREB)
- Canadian Home Builders Association (CHBA) – Calgary Region
- Canadian Mortgage & Housing Corporation (CMHC)
- NAIOP – Calgary
- Southern Alberta Shopping Centre Association (SASCA)
- Urban Development Institute (UDI) – Calgary
- Urban Land Institute (ULI) – Alberta

An initial meeting was held on 2014 January 15 to discuss the contributions and expectations of members, and a draft of the Terms of Reference. Comments from the stakeholder groups were incorporated into the proposed Terms of Reference (Attachment).

MARKET INTELLIGENCE GROUP: TERMS OF REFERENCE

Strategic Alignment

The Municipal Development Plan, and in particular Part 5, guides The City's growth management work. Group membership is purposely diverse so as to cover the broad vision of the MDP, which impacts all types of development in the city.

Social, Environmental, Economic (External)

The report maintains alignment with the Triple Bottom Line (TBL) policy, in ensuring that social, environmental and economic factors are considered.

Social

The Market Intelligence Group will consider social impacts of land supply, such as housing affordability.

Environmental

The Market Intelligence Group will consider environmental impacts of land supply, such as balancing development and conservation.

Economic (External)

The Market Intelligence Group will consider economic impacts of land supply, such as the health and competitiveness of the development industry.

Financial Capacity

Current and Future Operating Budget:

There are no operating budget implications associated with this report.

Current and Future Capital Budget:

There are no capital budget expenditures associated with this report.

Risk Assessment

The Market Intelligence Group itself does not bear significant risk on The City.

However, implementing the growth management decision-making framework without maintaining strong ties with industry, economic development groups and monitoring agencies raises the risk of making uninformed decisions that affect citizens and businesses. This Group will provide an opportunity to gather the information and opinion necessary to ensure Administration is consulting with stakeholders and considering available information before making recommendations to Council.

REASON(S) FOR RECOMMENDATION(S):

The Terms of Reference for the Market Intelligence Group will provide the necessary structure to allow the group to succeed in its aim – to provide a forum for diverse opinions on land supply, and to leverage the expertise of members to provide an analytical perspective on land markets in Calgary. The result should be greater understanding among stakeholders and more informed decision-making.

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<p>The Terms of Reference are recommended 'for information' to allow the group to manage its own structure and membership, and to amend as required.</p>
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ATTACHMENT(S)

Market Intelligence Group Terms of Reference