Letter from BILD Calgary Region





May 31, 2023

Delivered by Email

The City of Calgary P.O. Box 2100, Station "M" Calgary, Alberta T2P 2M5

Attention: Members of Infrastructure and Planning Committee

Dear Committee Members:

Subject: Citywide Growth Strategy: New Approach to Growth Applications, IP2023-0559

On behalf of Building Industry and Land Development Calgary Region (BILD), we would like to share our appreciation for the work Administration has put into this New Community Growth Strategy working group and their continued commitment to develop a transparent, efficient process that recognizes housing affordability in the City as it relates to growth; specifically, Matthew Sheldrake, Desmond Bliek, Crystal Cote, Rachel Gill, Lesley Kalmakoff, Gregory McCarthy and Jan-Steyn Pieterse. BILD and its members value Mr. Bliek's and Mr. Sheldrake's leadership and their role in the progress achieved to date and appreciate the working relationship and transparency achieved with this Administration.

Administration has been working with industry representatives (BILD and its members are active participants on the New Community Growth Strategy working group) to create a new community growth process to evaluate whether a Growth Application facilitates the efficient growth of new communities that is aligned with The City's long-term vision for growth, as articulated in the Municipal Development Plan. Previously, business case applications (growth applications) were accepted bi-annually. This two-year gap had significant negative implications on development, timing, and the ability to respond to changing market conditions necessary to manage housing affordability. The City/Industry Working Group has focused on criteria that are related to development, specifically development timing, the timing of revenues and costs, as well as infrastructure and concept of the right time and the right place to grow. Refinements to the criteria have evolved to be more transparent, verifiable, and precise to enable better evaluation of growth applications.

In the proposed process, City Council continues to be the final decision-maker on Growth Applications; however, it is industry that decides when to bring new projects forward in response to market demand. Proposed new development projects would be submitted through a continuous window with the required investments deliberated at budget on an annual basis as opposed to once every two years. In addition, Administration is responding to industry's request to see more up-front information on forecast timelines for

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all leading infrastructure, including the status of infrastructure projects approved for funding by Council, the available service capacity of the infrastructure and projected infrastructure/infrastructure capacity requirements to service respective growth areas such that applicants can determine whether to apply for growth based on the information available at their discretion as opposed to as part of an ongoing cycle.

BILD and its members, via New Community Growth Strategy working group, will continue to work collaboratively with Administration on refinements to the Growth Application process for new communities and will focus on maintaining housing affordability to ensure land and serviced lots are available for housing which is directly in alignment with the Housing & Affordability Task Force Recommendation 1: "Make it easier to build housing across the city" and Recommendation 2: "Make more land available to build more housing across the city." Once the proposed new growth application system is initiated, BILD welcomes Administration's invitation to work with them to explore opportunities and efficiencies along the entire approval continuum for process improvements to streamline the delivery of homes on approved lands.

BILD would like to note that market priced home affordability is an objective of the MDP and is foundational to economic growth and correspondingly economic diversification in Calgary. The March 2023 <u>RBC Housing and Affordability Trends Report</u> indicates ownership costs as percentage of median income have risen sharply in Calgary as it has in other major Canadian markets.

One of the biggest barriers to rental and owned home affordability is the time and cost of getting approvals. We respectfully ask that The City continue to review and improve all processes which impact both rental and owned home affordability.

With the Government of Canada's ambitious plans for increased immigration, housing supply will remain a major concern of all Albertans.

Accordingly, we support the work of Administration on the Growth Application process and look forward to the continued progress on meeting market supply to address housing affordability.

If you have any questions or comments, please contact me at brian.hahn@bildcr.com.

Respectfully,

BILD Calgary Region

Brian R. Hahn,

Chief Executive Officer

cc Matthew Sheldrake, Manager, Growth & Change Strategy, City and Regional Planning Desmond Bliek, Senior Growth Management Planner, City and Regional Planning

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