Background and Previous Council Direction

This attachment provides background and previous Council direction related to new community growth decisions, and a status update on Administration's progress in meeting the directions.

Background

In 2020, Council directed Administration to rethink the Growth Management Overlay system. The Previous Council Direction in this attachment focuses on the most applicable direction to Administration in that regard and Administration's response to date.

In previous reports (PFC2021-0649, Attachment 1) the full history of the Growth Management Overlay and new community business case evaluation system was outlined. The Growth Management Overlay was introduced in response to a significant increase in the planned land supply (i.e. lands with approved Area Structure Plans) with the introduction of developer funded Area Structure Plans. A tool was needed to signal which areas were, and were not, funded for required servicing. Under this system, the Growth Management Overlay was the "signal" within the Area Structure Plans. The biannual business case evaluation system was introduced as the process by which an applicant could seek removal of the Growth Management Overlay by asking that necessary City investments be funded through Service Plans and Budgets.

The business case system has most recently been used in 2018, 2020 and 2022 to deliver investment recommendations on new community growth to Council.

Previous Council Direction

Status Update on Council Directions from 2022

The following two tables provide updates on the directions given in 2022 to Administration. Note, selected directions have been paraphrased by Administration for brevity purposes.

Table 1: Relevant Directions from 2022 September 20 Strategic Meeting of Council (C2022-1057)		
#	**Direction**	**Approach/Response**
1	Formalize the review process to consider operating and capital costs, environmental and social implications, and policy alignment in a criteria-base and city-wide contextual way, applying to all areas with Growth Management Overlays as of 2022 July 26.	• **Attachment 6** of this report outlines refined evaluation criteria that reflect this direction. • **Attachment 7** of this report outlines the approach to climate considerations and the system's focus on enabling growth in the right place at the right time, working across the Development Approvals Continuum to address The City's goals and Council priorities.
2	Ensure that reports for Council decision regarding business cases and/or ASP applications provide full transparency by including business modelling, tax and spending assessments, and any other relevant empirical information that is agreed upon between Administration and applicants	• Administration has collaborated with Industry to make the evaluation process more empirical and transparent where possible. • Administration will communicate evaluation model inputs and outputs to Council with transparency and relevant empirical information to inform Council's decision.
3	Ensure that business case and ASP reviews occur throughout the year when impacted applications are received, as opposed to a single intake cycle.	• The new approach will allow for Growth Applications to be submitted at any time for evaluation by Administration.
4	Develop a process for proactively identifying and evaluating city-wide growth opportunities, including city-initiated landowner outreach and engagement, reporting back 2023 September.	• Several aspects of the redesigned system should help address this direction, including pre-applications and greater contextual information availability prior to submission (Attachment 8). A continuous window also allows for greater collaboration around identifying growth opportunities. • Further exploration and discussion is also underway. • Administration will provide a report on the subject at the 2023 September 13 IPC meeting.

Table 1: Relevant Directions from 2022 September 20 Strategic Meeting of Council (C2022-1057)		
#	**Direction**	**Approach/Response**
5	Ensure that business case reviews and subsequent recommendations are presented to Council in an empirical manner for final decision.	• All Growth Applications will be evaluated by Administration consistently using the established criteria (Attachment 5) which have been updated to be more empirical. • Decisions on Growth Applications will be made via recommendations to Council
6	Bring any operating or capital cost requirements that emerge as a result of business case or ASP approvals to the annual budget planning cycle of Council.	• All Growth Applications will first be required to be recommended by Infrastructure and Planning Committee and then Council for further consideration through Service Plans and Budgets. This recommendation can occur at any time. • If a Growth Application is recommended by Council for further consideration through Service Plans and Budgets, capital and operating investments will move into the Corporate Service Investment Process, and if successful, brought to Council in November for final decisions.
7	Remove all Growth Management Overlays through an omnibus motion to the Infrastructure and Planning Committee no later than Q2 2023.	• **Attachment 2** of this report provides amendments to remove mention of Growth Management Overlays from all applicable policies are attached to this report. • Alternate policy guidance referencing the new process for Growth Applications will be inserted into the Municipal Development Plan.
8	Provide Council with a comprehensive approach toward more directly attributing the taxes and user fees paid to cover expenditures by community at the 2023-2026 budget.	• Administration provided a response and scoping, through the 2023-2026 Service Plans and Budgets reporting in 2022 November (C2022-1051, Attachment 7)
9	Bring a summary of growth decisions and associated impacts to Council in spring as budget is planned and fall as budget is passed.	• Administration intends to implement this direction via briefing notes once the new process is underway.

	Table 2: Relevant Directions from Citywide Growth Strategy in the 2023-2026 Service Plans and Budget Cycle (IP2022-0545)	
#	**Direction**	**Approach/Response**
6	Enable strategic growth in Belvedere	• Report back to Council 2023 June 7 IPC agenda (IP2023-0575).
7-9	Work with developer proponents in West View, Providence, and Glacier Ridge on planning for future stages of infrastructure and servicing timing.	• Administration has met with proponents as requested. • As part of the new approach for Growth Applications, more information on infrastructure timing and land servicing will be available should applicants choose to reapply.
11	Direct Administration to investigate measures for incentivizing green and net zero building approaches.	• Administration's review has identified that other points in the Approvals continuum are better suited and equipped to incentivize green and net zero development in alignment with the Climate Strategy, such as the development and building permit processes. • The Growth Application system does not propose a mechanism to make potential green or net zero building approaches binding.
12	Complete the rethinking of the Growth Management Overlay tool.	• This report repeals the Overlay from all applicable ASPs and outlines the replacement system for evaluating Growth Applications.
13	Reengage with 2022 business case proponents and provide Council with more detail on financial inputs and assumptions behind growth recommendations.	• Administration has met with proponents as requested. • As part of the Growth Application process, more information on financial inputs will be available should applicants choose to reapply. • Further detail on financial inputs and assumptions will be provided to Council in 2023 Q4.

Other Council Direction

A comprehensive summary of previous reports related to this work is listed below.

Bylaws, Regulations, Council Policies

DATE	REPORT NUMBER	DIRECTION / DESCRIPTION
2022 September 20	C2022-1057	**Motions Arising on IP2022-0545 Citywide Growth Strategy** Council provided direction on how to proceed with reforming the New Community Business Case process. See the previous tables for specific Directions and actions Administration has taken to respond.
2022 July 26	IP2022-0545	**Citywide Growth Strategy in the 2023-2026 Service Plans and Budget Cycle** This report provided Council with recommendations of growth-enabling investments and New Community growth areas ahead of the 2023–2026 Service Plan and Budget process. See the previous tables for specific Directions and actions Administration has taken to respond.
2022 January 11	IP2021-1554	**Citywide Growth Strategy: Aligning the Outline Plan Approval Process for All Growth Management Overlay Areas** This report approved an amendment to the New Community Guidebook to close an inconsistency where Outline Plans applications were treated differently in the approval continuum if the relevant Area Structure Plans was approved before or after 2014.
2021 June 21	PFC2021-0639	**Citywide Growth Strategy: Growth Management Overlay Review** This report recommended numerous process improvement in how to use the Growth Management Overlay policy tool as part of the New Community Growth Strategy Business Case process, including short-term and long-term actions to consider phasing out the overlay in place of another tool.
2020 November 2	PFC2020-0962	**New Community Growth Strategy 2020** This report concluded the 2020 business case process. No Growth Management Overlays were removed, and 11 Business Case proponents invited to resubmit these applications during the next review process in 2022.

Growth decisions and authorities are governed by the following policies and regulations.

2019 November 18	PFC2019 -1062	**Growth Strategy Monitoring Report** Council direction received to 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.
2018 July 30	C2018-0900	**New Community Growth Strategy 2018 – Further Review and Analysis Directed through PFC2018-0678** Approval of funding and direction to pursue Growth Management Overlay removal for 14 new communities.
2018 March 19	PFC2018 -0200	**New Community Growth Strategy** Introduction of the Business Case review process.
2013 March 14	C2013-0057	**New Community Growth Strategy** Introduction of the Growth Management Overlay mechanism.

Municipal Government Act, 2020

The Municipal Government Act guides how municipalities operate. It regulates how municipalities are funded and how they should govern and plan for growth. This includes regulating the use of financial tools to support growth and change.

Municipal Development Plan, 2020

In accordance with the Municipal Government Act, Calgary's Municipal Development Plan provides the long-term strategic framework for growth and development to achieve the following seven goals: Compact Urban Form, Urban Design Excellence, Greening the City, Great Communities, Connected City, Prosperous Economy, and Strategic Growth.

Section 5 of the Municipal Development Plan provides direction on strategic growth to achieve the best possible social, environmental, and economic outcomes. The New Community Planning Guidebook (Volume 2, Part 1 of the Municipal Development Plan) contains policy guidance on the development, design, and implementation of new communities.