

**Planning & Development Services Report to
Infrastructure and Planning Committee
2023 September 13**

**ISC: UNRESTRICTED
IP2023-0882**

Citywide Growth Strategy – Proactive Approaches for Growth Opportunities

PURPOSE

This report responds to Council’s direction to develop a process where Administration can proactively identify and respond to growth and development opportunities citywide. It represents the last element of direction from Council’s 2022 September 20 Strategic Session on growth (C2022-1057).

Administration used this opportunity to review the extent to which existing processes within the Citywide Growth Strategy and other initiatives are proactive, and how they can be more proactive, while staying within The City’s established roles in regulating and enabling growth. Through continuing to improve these processes, Calgary can realize growth in alignment with the objectives of the Municipal Development Plan and facilitate the delivery of more housing to meet the needs of Calgarians. Findings of this review are summarized in this report.

PREVIOUS COUNCIL DIRECTION

On 2022 July 25, through IP2022-0545, Council directed Administration to develop a process for proactively identifying and evaluating citywide growth opportunities in order to (a) better leverage existing amenities and infrastructure, (b) manage capital and operating costs, (c) protect natural areas, and (d) achieve other benefits. Attachment 1 contains details on the previous direction. The direction also referenced City-initiated landowner outreach and engagement with regards to process elements.

RECOMMENDATION:

That the Infrastructure and Planning Committee recommend that Council receive this report for the corporate record.

CITY MANAGER/GENERAL MANAGER COMMENTS

General Manager Dalglish concurs with this report.

HIGHLIGHTS

The City has existing processes to identify and evaluate growth opportunities through the Citywide Growth Strategy and other initiatives – benefitting new communities, industrial areas, and established areas. The Strategy was initiated in 2018 in part because a more focused, proactive effort was needed regarding growth and change – to ensure communications, engagement, investment, information, and process improvements were focused on achieving the benefits of growth, while mitigating the challenges.

The direction that initiated this report provided an opportunity to review these processes to ensure proactivity remains a key objective, and to identify enhancements to be more proactive in ways that reflect Council directions (a) through (d).

In new communities, the redesigned Growth Application process approved by Council in 2023 July introduces several new features that will enable improved awareness of the process (and supplemental information), more flexibility in timelines, and greater collaboration with applicants. Lessons learned as this process unfolds over the next year will inform future improvements.

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In addition to this, ideas are being pursued both in the Citywide Growth Strategy and within other City initiatives (summarized below), that can further increase proactivity. Finally, a scan of proactive actions from other growing municipalities was undertaken, which will help inform future actions Calgary might consider taking in support of growth (Attachment 2).

During this process, The City's different roles in terms of addressing growth were kept in mind. It is important to be proactive and take a leadership role, however maintaining objectivity and ensuring fair treatment among private landowners and developers is an expectation in Calgary's development markets.

DISCUSSION

The City has several roles related to growth

As it relates to growth and development, The City's role is in:

1. **Developing long-term plans to guide citywide growth.** Examples include Municipal Development Plan updates, Area Structure Plans, and Local Area Planning initiatives. The City proactively seeks feedback from citizens and businesses during these initiatives, incorporating ideas to ensure plans provide long-term guidance on growth.
2. **Investing and delivering infrastructure and services to enable growth.** The City delivers new utility and mobility networks, emergency services, and other services that support growth. The City works proactively and iteratively with landowners to ensure infrastructure alignments and phasing match development needs and timing. Effectiveness of these efforts is often dependent on the timelines of multiple landowners, which can vary.
3. **Regulating as the Development Authority.** The City makes decisions on land use changes and other permitting considerations by evaluating applications against Council-approved statutory plans, policies, and standards. Working alongside developers and builders prior to rendering decisions requires fairness and balance.

While The City enables growth through the roles described, the overwhelming majority of development in Calgary is triggered by individual private landowner decisions. The City can support landowners and developers by ensuring processes are transparent and efficient, improving awareness of opportunities and servicing, and updating policy to remain enabling of growth that is in alignment with policy objectives.

Proactive approaches in the redesigned Growth Application process

Based on the broader Council direction from the 2022 September 20 Strategic Session, a redesigned Growth Application process (previously "business cases") was approved by Council in 2023 July (IP2023-0559). The process seeks to be more responsive to applicant needs and timelines, while continuing to deliver strategic recommendations on enabling the right growth at the right time. Key proactive features include:

- An opportunity for Administration and the applicant to explore areas larger or smaller than the original application area to better leverage existing City infrastructure and services in order to efficiently manage City costs. This could include City-initiated

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outreach to other parties/landowners and working through issues earlier to better match capacity with development progress.

- Enhanced contextual information is now available earlier in the process to landowners so that servicing, land supply, and capital infrastructure information can be used to inform application timing and potential success prior to formal submission.
- An ability to submit applications at any time with the opportunity for greater collaboration between applicants and Administration before, during, and after application review.

As the redesigned Growth Application process evolves, Administration will continue to improve communication and outreach strategies to build awareness, including closing potential information gaps with industrial development applications in similar areas. Small and large developers and landowners consulted as part of this work both identified that improved awareness will help to build a more proactive process.

Growth opportunities in other city building initiatives

Beyond the Citywide Growth Strategy, The City is proactive through other initiatives related to growth. Some examples:

- **Supporting City efforts related to housing affordability:** during the current housing crisis, which is related to growth, Council will make important decisions and Administration will be ready to implement arising actions.
- **Integrating the Municipal Development Plan and Calgary Transportation Plan:** the creation of an integrated, modern plan will build upon existing direction to highlight growth priorities and strategic actions.
- **Renewing the Land Use Bylaw:** this update will enable effective implementation of The City's strategic policy, including actions related to citywide growth. Updated regulations will make it easier for growth that meets policy to occur, for all developers and builders.
- **Updating the Open Space Plan:** this initiative modernizes how open, natural and park spaces will be identified, prioritized, and managed in the future to align with changing needs for these spaces and their role in preserving ecological and environmentally significant assets.
- **Evolving the Service Planning and Budget Processes:** Administration is exploring how to better integrate growth decisions into the budget process, including ways to prioritize growth investments differently and evaluate what funding sources may allow for a more proactive investment response.

Examples of proactive actions from Calgary and other municipalities

In addition to the above, Administration completed an environmental scan that identified examples from Calgary and other municipalities where there were attempts to proactively support growth through outreach, policy, aligning infrastructure and investment, and protecting natural areas (Attachment 2). The ideas gathered from this scan will be considered as policy, regulation and processes are developed in support of citywide growth in Calgary.

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Next steps

Acting proactively to leverage growth opportunities is built into the processes included in the Citywide Growth Strategy. Administration will continue exploring changes to budget and funding processes for growth, as well as improvements to outreach and communications, particularly as the redesigned Growth Application process matures. In particular, listening to our partners and providing clearer information about existing processes will be pursued. Updates on these efforts will be provided through future Citywide Growth Strategy Monitoring Reports.

EXTERNAL ENGAGEMENT AND COMMUNICATION

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

Continued engagement with developers is, itself, a way to ensure processes remain proactive. From discussion with the New Community Working Group, suggestions included an outreach and communication strategy to build awareness of Growth Applications and improving The City's capabilities to share information on servicing, land supply and infrastructure capacity.

The working group indicated that developers undertake extensive effort to engage other landowners ahead of, and in response to, City investment in enabling infrastructure and land use planning exercises. Several smaller developers and representing consultants were also engaged, who echoed comments about greater information coming directly from The City.

IMPLICATIONS

Social

Proactively planning for growth that includes input from all city-building partners can help reach equity and social resiliency goals. Enabling growth in the right places and in alignment with City objectives improves Calgarians ability to access needed services, employment, and amenities.

Environmental

Proactively identifying and preserving ecological and natural assets is a goal of several initiatives underway (e.g., Open Space Plan, Ecological Network Plan, Calgary River Valley Plan). Through planning work and appropriate development regulations, The City can help guide development to achieve a compact growth pattern that protects these significant areas.

Economic

Enabling investment where infrastructure capacity already exists will generate economic activity and jobs in Calgary, while building a financially resilient city for citizens and businesses. Clear processes that respond to developer objectives provide greater certainty for investment. Enabling efficient housing supply can support choice and affordability.

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Service and Financial Implications

No anticipated financial impact

This report has no direct financial impact.

RISK

Increasing The City's proactive efforts in responding to growth comes with several risks:

1. **Perception of City objectivity:** the Citywide Growth Strategy seeks to provide Council with transparent and empirical recommendations, informed by Council-approved plans, policies, and strategies. If The City becomes more involved in leading and initiating growth discussions – going beyond awareness and information about processes and decision making – it may lead to concerns about objectivity. An appropriate balance between proactive and reactive is needed to respect market realities and municipal roles.
2. **Growth and infrastructure alignment:** If The City proactively invests in infrastructure too far ahead of development, substantial costs are incurred if market conditions, or other factors, prevent private development from occurring on similar timelines. To reduce risks, The City must monitor growth trends, and pragmatically identify, evaluate, and invest in the highest value growth opportunities closely in alignment with private development timelines.
3. **Managing expectations:** a more proactive City-led outreach approach may create unrealistic expectations for near-term land development and budget allocation. Additionally, a review of infrastructure capacity in new community areas did not identify situations of unknown/unused development capacity that such an outreach approach would address. This suggests that landowners are usually aware of growth investments occurring around them. By maintaining healthy supply levels and regularly monitoring market conditions, The City typically has time to address supply so that growth approvals are not a limiting factor.

ATTACHMENT(S)

1. Background & Previous Council Direction
2. Examples of Responding Proactively to Growth Opportunities and Challenges
3. Presentation

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Stuart Dalgleish	Planning and Development Services	Approve

Author: Greg McCarthy, Planning and Development Services