

Background and Previous Council Direction

Background

On 2022 September 20, Council gave direction for the development of a redesigned system for evaluating (and ultimately investing in) new community Growth Applications (C2022-1057). This redesigned system introduced several new features, while maintaining the foundation of the previous system.

On 2023 July 25, Administration introduced a continuously open, fee-supported application approach where new community Growth Applications are evaluated according to a set of criteria, which include several financial impact criteria and related funding implications (IP2023-0559). As part of this, Administration uses the New Community Incremental Operating Cost Model (“the Model”) to evaluate the tax-supported operating costs and revenue impacts of new community Growth Applications.

This attachment provides background and previous Council direction related to the Model, which has been used to deliver investment recommendations on new community growth to Council since 2018.

Previous Council Direction

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2023 July 25	IP2023-0559	<p>Citywide Growth Strategy: New Approach to Growth Applications</p> <p>This report introduced changes and improvements to the approach for strategically evaluating new community growth, while maintaining the connection between The City’s Service Plans and Budgets process and the development approval process. This system implemented Council’s direction from 2022 September 20 regarding how The City makes these growth investment decisions, and addressed the direction under 13. (a) in IP2022-0545 listed below.</p>
2022 September 20	C2022-1057	<p>Citywide Growth Strategy in the 2023-2026 Service Plans and Budgets Cycle</p> <p>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.</p>

2022 July 26	IP2022-0545	<p>Citywide Growth Strategy in the 2023-2026 Service Plans and Budgets Cycle</p> <p>13. Direct Administration to prepare a report to Council through the Infrastructure and Planning Committee no later than 2023 Q4 to: (a) Re-engage with Proposed New Community business case proponents to review Administration's analysis and offer feedback and suggestions, informed by the results of Administration's "GMO rethink" report; and (b) Provide Council with more detailed reporting on the inputs and assumptions used in revenue and operation projections used by Administration to consider Proposed New Community business cases informed by the results of Administration's "GMO rethink" report, and to receive feedback from Council and other stakeholders to further refine the process.</p>
2022 March 03	IP2022-0196	<p>Financial Impact of Growth: New Community Operating Cost Model Update</p> <p>Council received a Briefing Report as an update on progress towards building a more comprehensive New Community Operating Cost Model to be used for assessment of the tax-supported operating costs and property tax revenue impacts of new community business cases.</p>
2021 February 08	PUD2021-0046	<p>City Planning & Policy Priorities and Workplan Report 2021</p> <p>Adjusted the reporting timelines set per Council direction from PFC2019-1062 for the New Community full operating cost model to return to Council, through the Priorities and Finance Committee, no later than 2022 Q1.</p>
2019 November 18	PFC2019-1062	<p>2019 Growth Strategy Monitoring Report</p> <p>Evolve the practice of looking at a direct incremental operating cost model to a full operating cost model, in conjunction with other stakeholders. A briefing on progress toward the new model will be presented at 2020 June 9 Priorities and Finance Committee meeting, with a targeted timeline for completion of no later than Q3 2021.</p>
2018 March 19	PFC2018-0200	<p>New Community Growth Strategy</p> <p>Presented a summary of the Direct Incremental Operating Costs in New Communities as Attachment 4.</p>