



December 12, 2023

Via email

City of Calgary Office of the Councillors P.O. Box 2100, Stn. M, Mail code 8001 Calgary, Alberta, Canada T2P 2M5

Attention: Clr. Sonya Sharp Chair, Infrastructure and Planning Committee

Re: December 13, 2023, Infrastructure and Planning Committee Agenda Item 7.2 Citywide Growth Strategy New Community Incremental Operating Cost Model Inputs and Assumptions, IP2023-0981

Dear Clr. Sharp,

We hope this letter finds you and your Council colleagues well.

We have received and reviewed the meeting materials available on The City of Calgary website and provide this letter of feedback to you and your colleagues on the Infrastructure and Planning Committee in respect of December 13, 2023, agenda, item 7.2, Citywide Growth Strategy—New Community Incremental Operating Cost Model Inputs and Assumptions, IP2023-0981.

BILD represents over 550 member companies who are actively involved in all aspects of community building and housing across Calgary, including development of new communities, redevelopment of established areas, development on commercial and industrial lands and construction of all forms of housing. A critical success factor for BILD and its members is housing affordability across the full continuum of housing in Calgary. We believe in the dignity and safety of housing for all.

According to 2022 Canadian Home Builders Association estimates, BILD member companies are part of an industry which employed over 57,000 in Calgary in new home building, renovation, and repair on- and offsite jobs, which paid nearly \$4.4 billion in wages, and resulted in \$9.6 billion in built investment value. That built investment value is one of the largest single wealth-builders for many families.

At the outset of our feedback, we wish to acknowledge and thank City of Calgary Administrative staff for their significant and diligent work on this matter so far, particularly Jan-Steyn Pieterse, Cathy An, Matthew Sheldrake and Lesley Kalmakoff. We believe, like their colleagues in Administration and BILD members, a share the view and understanding of the importance and impact of this critical work on housing affordability in Calgary. As we have shared with you, your Council colleagues and Administration, Calgary's historically strong housing affordability position relative to other Canadian metropolitan regions is eroding and at risk (see: <u>September 2020</u> and <u>September 2023</u> RBC Housing Trends and Affordability Reports). Through continuing the process of tackling the review of both New Community Operating Costs *and Revenues* we collectively take one of the key steps to address items within our control in reversing and mitigating the risk of housing affordability erosion in Calgary.

The importance you and your Council colleagues place on this topic was underscored by the extraordinary measures Council took, holding a Saturday Council meeting on September 16, 2023, to address housing affordability and provide directions to Administration for action.

Beyond thanking Administration for their work thus far, our comments and feedback to Committee and Council are as follows:

- Administration's recommendation in its cover report and elsewhere in the meeting materials is for the Infrastructure and Planning Committee to recommend that Council receive this report for the Corporate Record." We understand that to mean, no decision or approval from IPC or from Council as a result of this update is requested. To the extent our understanding is correct, we support Administration's update.
- Attachment 1 of the meeting materials for this item includes a chronology of related Council directions, including, Council's September 20, 2022, (C2022-1057) direction regarding Citywide Growth Strategy in the 2023-2026 Service Plans and Budgets Cycle Directions which states, "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." We wish to continue to work with Administration toward the noted agreement between Administration and applicants, as represented by BILD members, on relevant empirical information. We look forward to continuing that work and received responses to our most recent inquiries from Administration just yesterday. BILD and its members are reviewing those responses and are committed to working with a great sense of urgency on this important matter.
- Slide 3 of Attachment 4 notes, amongst other things, the purpose of the update being provided to you is to, "Provide Council with more detailed reporting on the revenue and operating cost inputs and assumptions used by Administration to consider new community growth applications, and to receive feedback from Council and other interested parties to further refine the process." BILD and its members' feedback is we continue to work with Administration on further refining the process and, as noted in our comments on the item immediately above, toward achieving Council's direction vis-à-vis agreement between Administration and applicants.

We apologize for the last-minute timing of this letter. As you are aware, there are several impactful matters BILD and its members are actively working on, including building housing for Calgarians at a pace near or above last year's record levels. We respectfully request you add our letter to the record of the December 13, 2023, Infrastructure and Planning Committee meeting.

We plan to be present at tomorrow's meeting to publicly provide our thanks to Administration for their work on this matter thus far, to provide our thanks to you and your Council colleagues for the importance and sense of urgency you are bringing to the matter of housing affordability for Calgarians. We will also be available for any questions you may have on this matter.

Lastly, on behalf of BILD and its members, at this festive time of year, we send our wishes for peace, happiness, and good health to Administration, as well as you and your Council colleagues.

Please contact me if you have any questions or concerns.

Yours truly,

Brian R. Hahn Chief Executive Officer BILD Calgary Region

Cc: Stuart Dalgleish, Chief Operating Officer Debra Hamilton, A/GM Planning and Development Services Josh White, Director, Calgary Approvals Coordination Planning & Development Matthew Sheldrake, Manager Growth & Change Strategy Lesley Kalmakoff, Coordinator Growth Strategy Cathy An, Finance Manager, Planning Development Services Jan-Steyn Pieterse, Finance Lead, City and Regional Planning BILD New Community Working Group BILD Board of Directors