

Build Calgary

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a great city.

Build Calgary Update

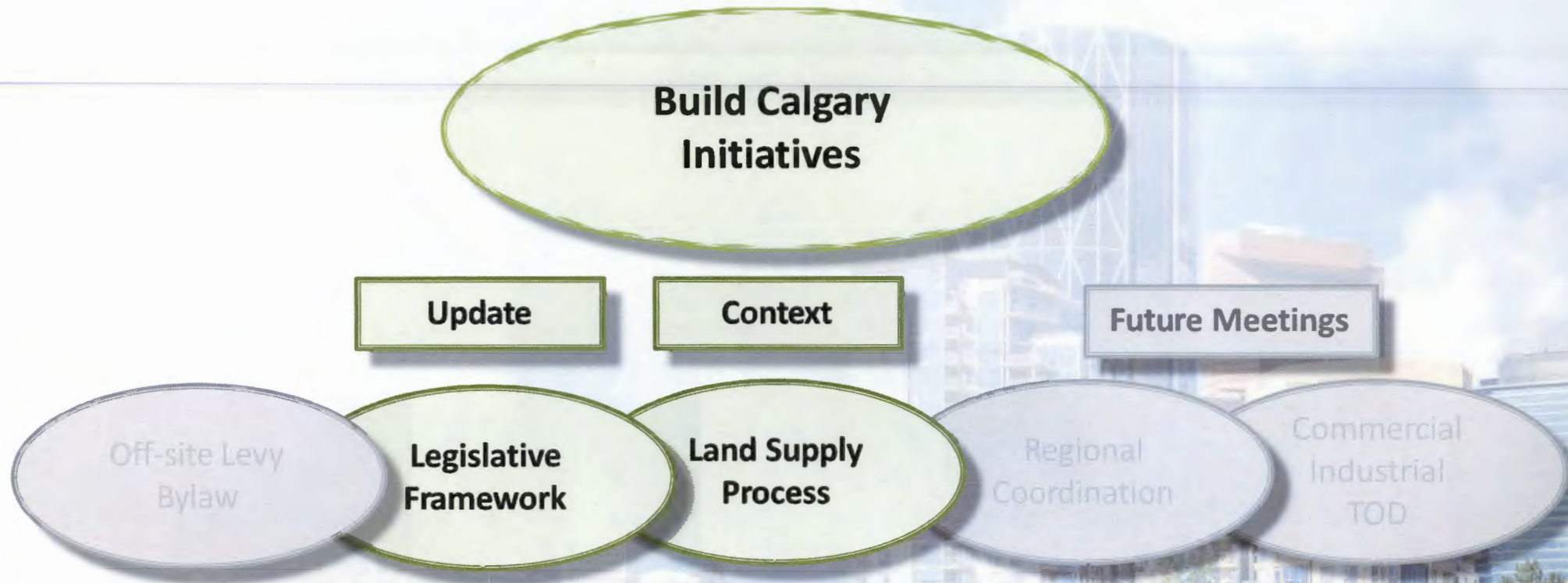
Council Strategic Session

2015 May 4

C2015-0436

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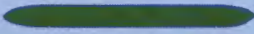

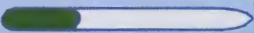


Today's Agenda



Program Updates

- Developed program charter and work plans for each initiative
- Prepared internal and external communications plans and launched video series
- Application of Corporate Project Management Framework
- Continuation of MGA and Charter work

Progress to Date

	Off-Site Levy Bylaw	Legislative Framework	Land Supply Process	Regional Coordination	Commercial/Industrial/TOD
Description	Council approval of an Off-Site Levy Bylaw, for implementation in 2016.	A new relationship with the Province of Alberta.	Ensure transparent and balanced land/infrastructure delivery.	Partner with municipalities and agencies to ensure a sustainable metropolitan region .	Ensure development opportunities that generate non-residential tax revenue.
Deliverables	<ul style="list-style-type: none"> Infrastructure Needs Analysis  	<ul style="list-style-type: none"> Amending legislation for MGA  	<ul style="list-style-type: none"> Mutually agreed upon land supply reporting  	<ul style="list-style-type: none"> Establishment of core regional team  	<ul style="list-style-type: none"> Develop industrial land supply/ demand index  
	<ul style="list-style-type: none"> Levy / Financial Model  	<ul style="list-style-type: none"> Legislation for City Charter (Phase 1)  	<ul style="list-style-type: none"> Process to evaluate growth overlay removal  	<ul style="list-style-type: none"> White paper on MGA s. 690 appeals  	<ul style="list-style-type: none"> Dispose of city-owned land ready for development  
	<ul style="list-style-type: none"> Financial Model for Development Intensification  	<ul style="list-style-type: none"> Legislation for City Charter (Phase 2)  	<ul style="list-style-type: none"> Evaluate area for growth overlay removal  	<ul style="list-style-type: none"> Council report on regional research  	<ul style="list-style-type: none"> Increase certainty in approvals process  
	<ul style="list-style-type: none"> Council report on Off-site Levies  	<ul style="list-style-type: none"> Legislation for City Charter (Phase 3)  		<ul style="list-style-type: none"> Council report on long term approaches  	<ul style="list-style-type: none"> Create a spatial assessment model  
	<ul style="list-style-type: none"> Off-site Levy Bylaw & implementation  				<ul style="list-style-type: none"> Marketing and education program  

Key Dates

Event	Date
Leadership Strategic Plan presented to Council	September 15, 2014
Build Calgary Launch	October 30, 2014
Council Strategic Meeting: Overview	January 16, 2015
Council Strategic Meeting: Update	March 6, 2015
Council Strategic Meeting: Land Supply in Developed Areas	May 4, 2015
Council Presentation - City Charter Policy Package (Phase 2)	June 2015
Regional Coordination - Municipal Workshop	June 2015
Council Presentation - Off-site Levy Bylaw	October 2015
Off-site Levy Bylaw - Implementation	December 2015

Utilities Growth Funding & Financing Strategy

- Conducting a risk based financial review of Water, Wastewater and Drainage services
- Scope of the financial review includes;
 - Revenue streams: utility rates, off-site levies and redevelopment
 - Growth related capital
 - Appropriate use of debt
 - Financial policies
- Engaged a financial services consultant to assist with option analysis and identify industry best practices

Utilities Growth Funding & Financing Engagement

- Meeting with the off-site levy industry advisory group
 - Initial meeting in April to understand industry questions and gather ideas
 - Further meetings planned to explore opportunities
- Engage members of Council to discuss the financial sustainability of the Utilities

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Developed Areas Presentation

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Off-site Levy Bylaw and Land Supply Initiatives



Overall Strategic Approach

- Creating a comprehensive and strategic approach to Growth Management
- Three distinct work plans and teams have been created
- Key linkages/connections between these projects

Identifying the Challenges and Opportunities in Developed Areas

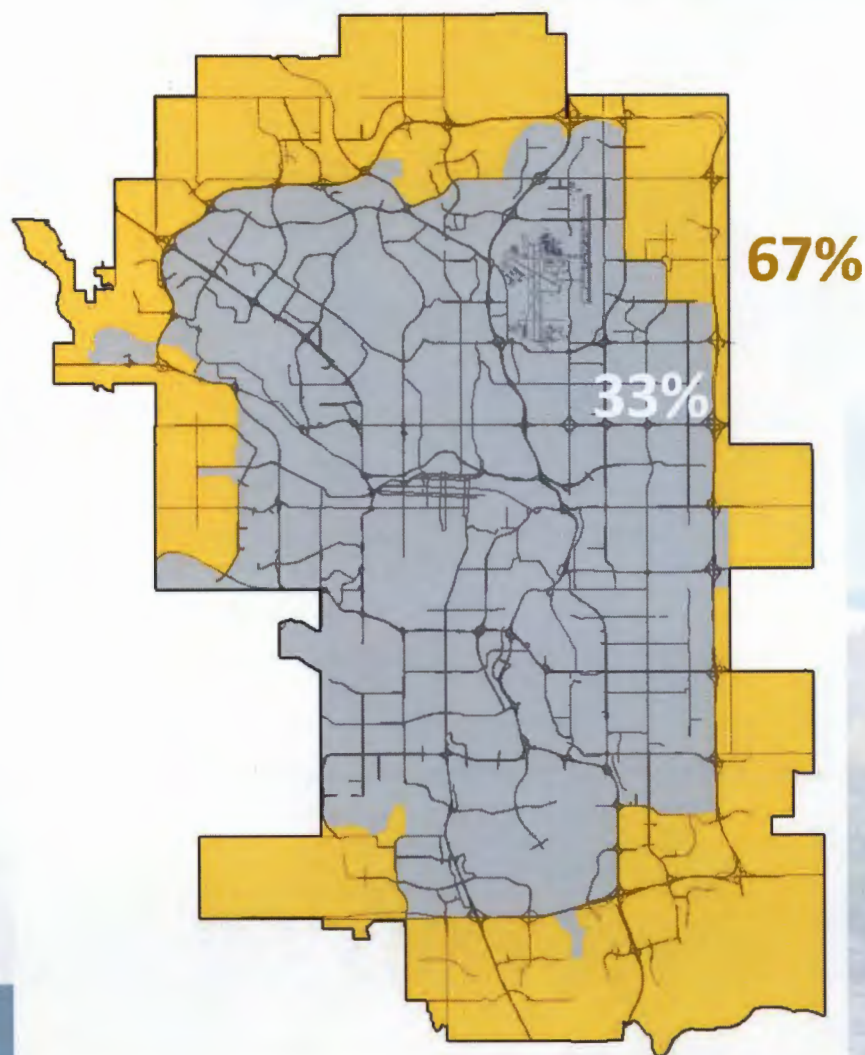
- What are the trends?
- What are the issues?
- How are they different from Greenfield issues?
- What information do we need to develop effective strategies?
- What are the next steps?

Our Guiding Policies

- More compact and complete communities
- % of population absorbed in Greenfield areas should decrease
- % of population in Developed areas should increase
- Make more efficient use of infrastructure
- Reduce urban sprawl and our overall footprint

Projected Growth Patterns

Intensification (MDP Part 5)



Growth 2006-2039

+800,000

Developing Areas

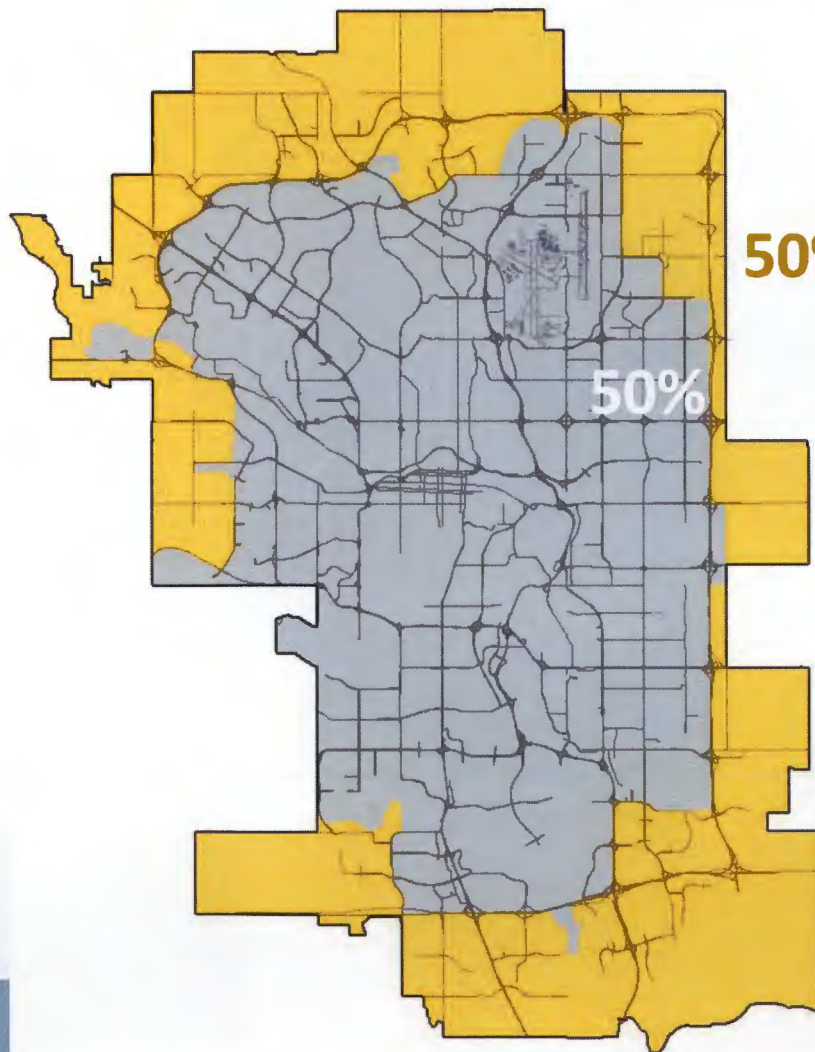
+536,000

Developed Areas

+264,000

Projected Growth Patterns

Intensification (MDP Part 5)



Growth 2006-2076

+1.5 Million

Developing Areas

+750,000

Developed Areas

+750,000

Planning for Future Growth

- Future growth patterns and land supply are guided by these policies
- The context and challenges are different in Greenfield and Developed Areas
- This requires different approaches and different solutions

Land Supply & Developed Areas

- 280,000 potential additional units
- 52,000 shorter term potential units based on vacant and underutilized parcels
- New units
 - **2010:** 1,517 units created
 - **2011:** 3,547 units created
 - **2012:** 3,155 units created
 - **2013:** 5,459 units created
- Land supply is not the issue – barriers to development are

Developed Area Barriers

- Unknown local infrastructure capacity
- Uncertainty about what will be required
- Lack of opportunity to share the costs
- Lack of formal strategies to align all developed area work programs to achieve the desired outcomes
- Community resistance to change

Information Needed to Develop Strategies

- What are the current trends?
- What infrastructure capacity information is needed?
- What best practices can we learn from?

Development Permits Issued 2010-2014

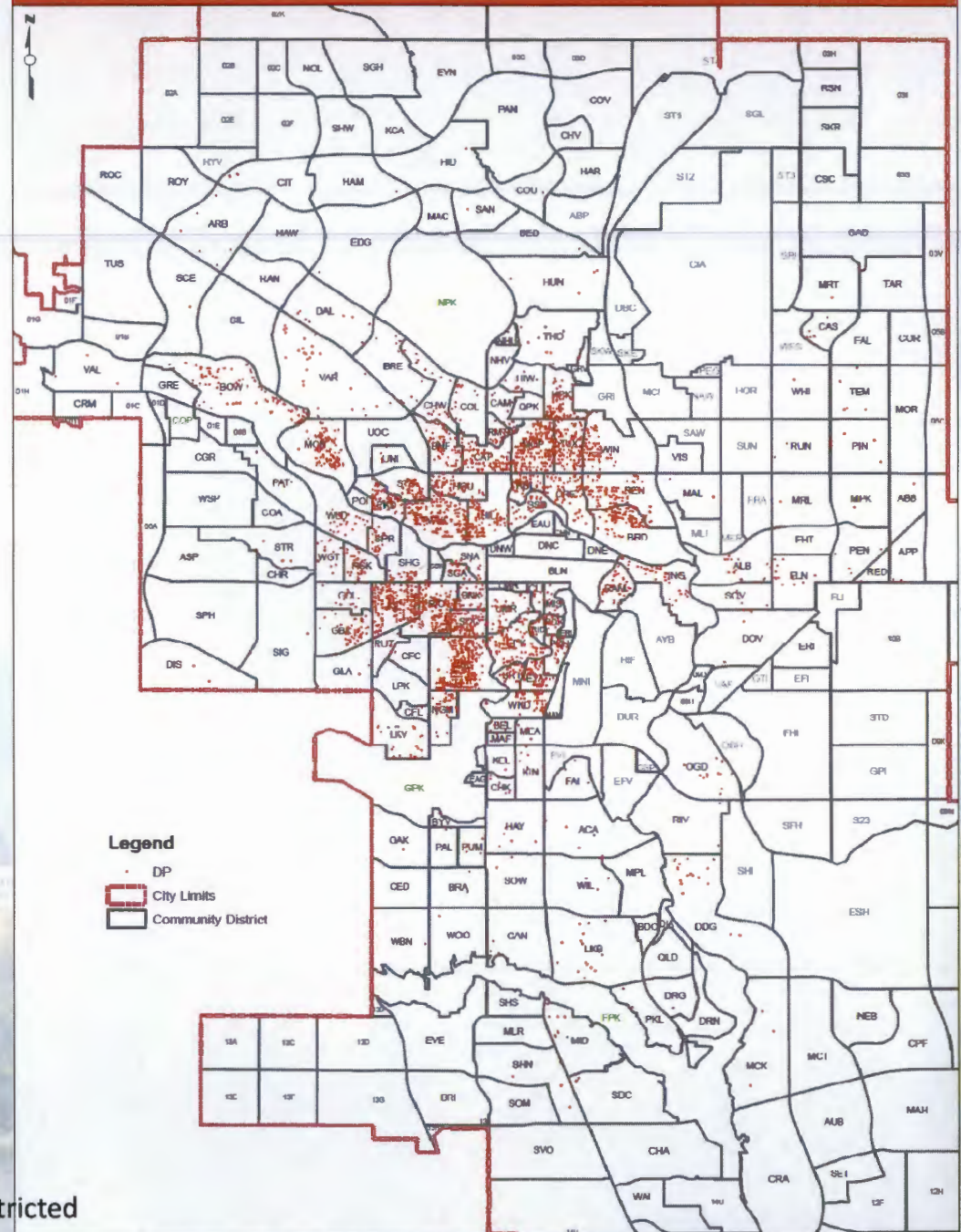
Development Permit Decisions in Developed Communities: 2010 - 2014

Fee Category	TOTAL
Commercial and Mixed Uses	164
Residential - Multi Family	351
Residential - Single Family/Semi/Duplex	3915
TOTAL	4430

NOTE: These permits equated to over 10,000 housing units

The City of Calgary

DPs Growth Management

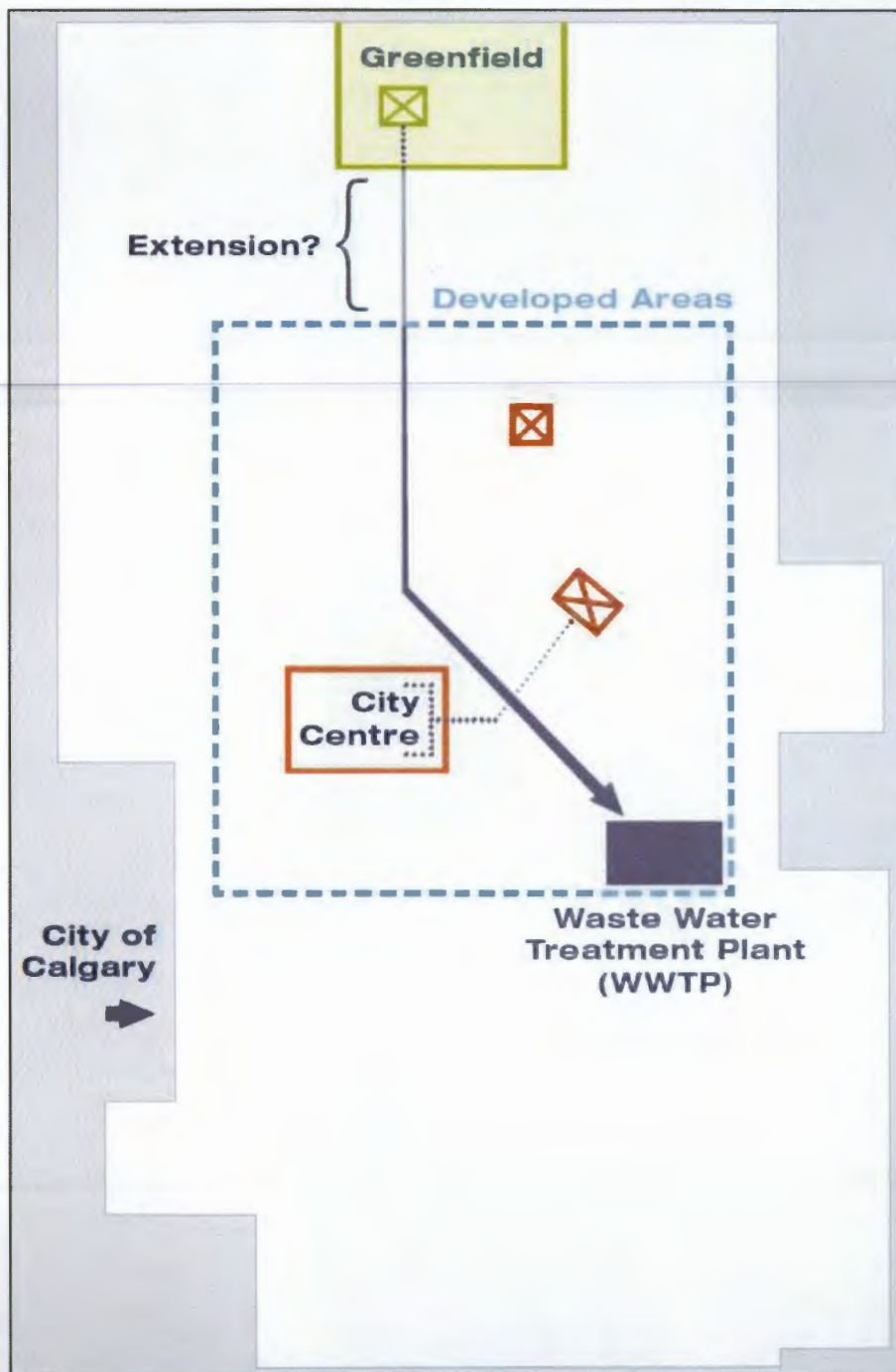


Impacts of this Development

- What impact does this development have on off-site and local infrastructure?
- How have the population trends changed over time?
- Do the demographic trends result in some underutilized infrastructure capacity?

What are Off-site Levies?

- Collected to pay for major off-site infrastructure impacts
 - expressways
 - interchanges
 - sewage treatment plants
 - linear utilities connections
- Local infrastructure impacts funded by developers through different mechanisms



What is the difference between off-site and local infrastructure?

- developers fund the cost of local infrastructure needs
- Off-site infrastructure impacts (i.e. trunk extensions, treatment plants) funded through Off-site levies and other financial tools

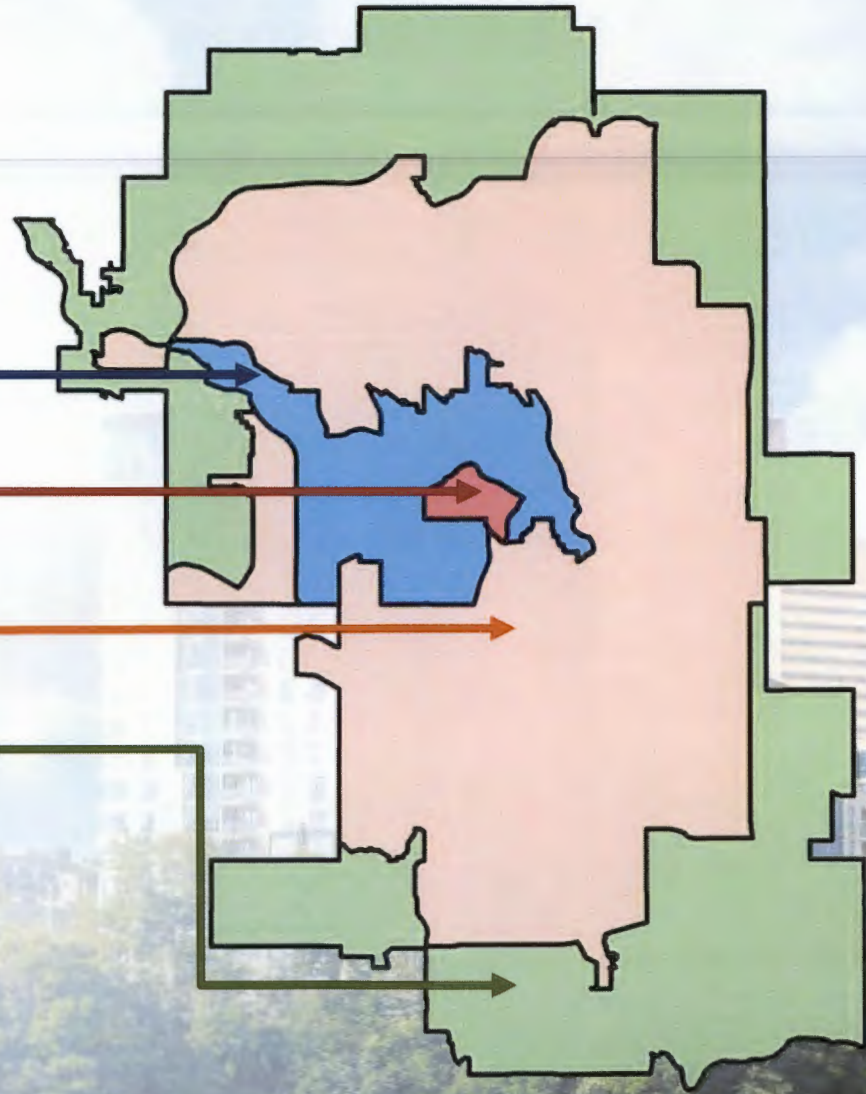
Application of Off-site Levies

No Off-site Levies Charged

Centre City Levy

Off-site Levies Paid – Developed Areas

Off-site Levies Paid – Greenfield Areas

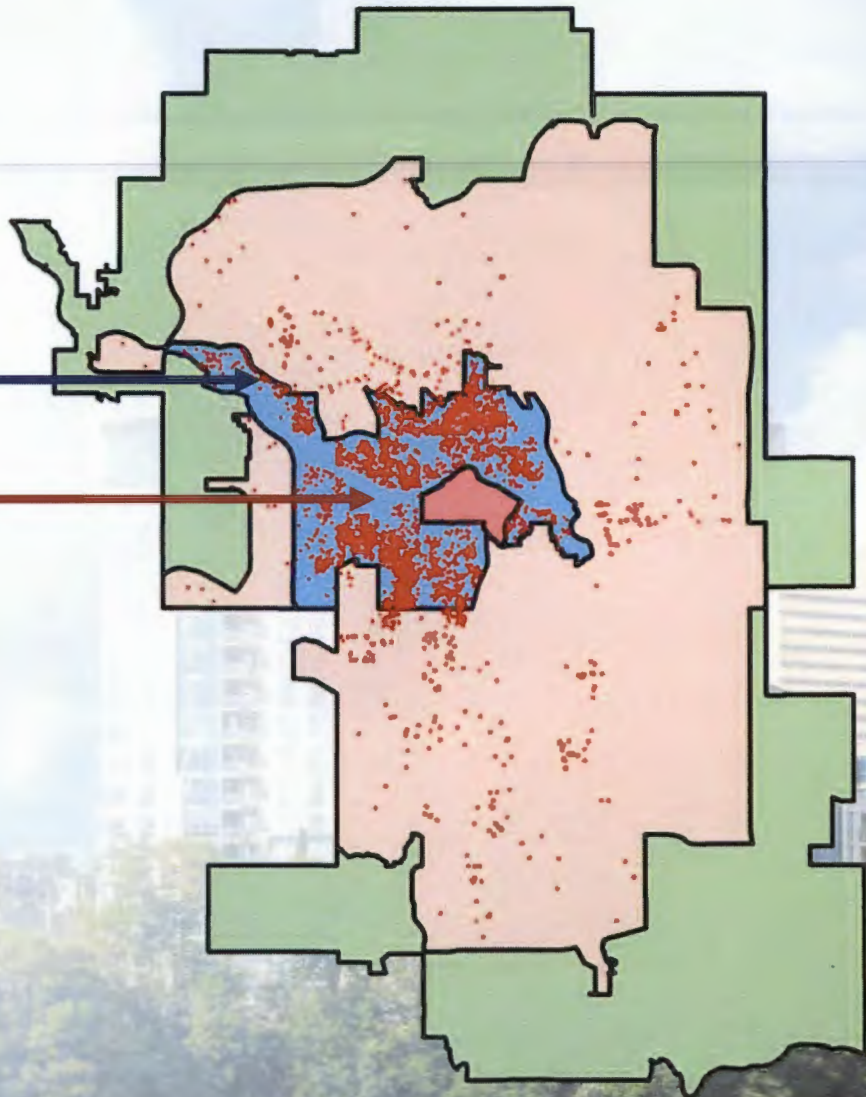


Application of Off-site Levies

No Off-site Levies Charged

Development Permits, 2011-2014

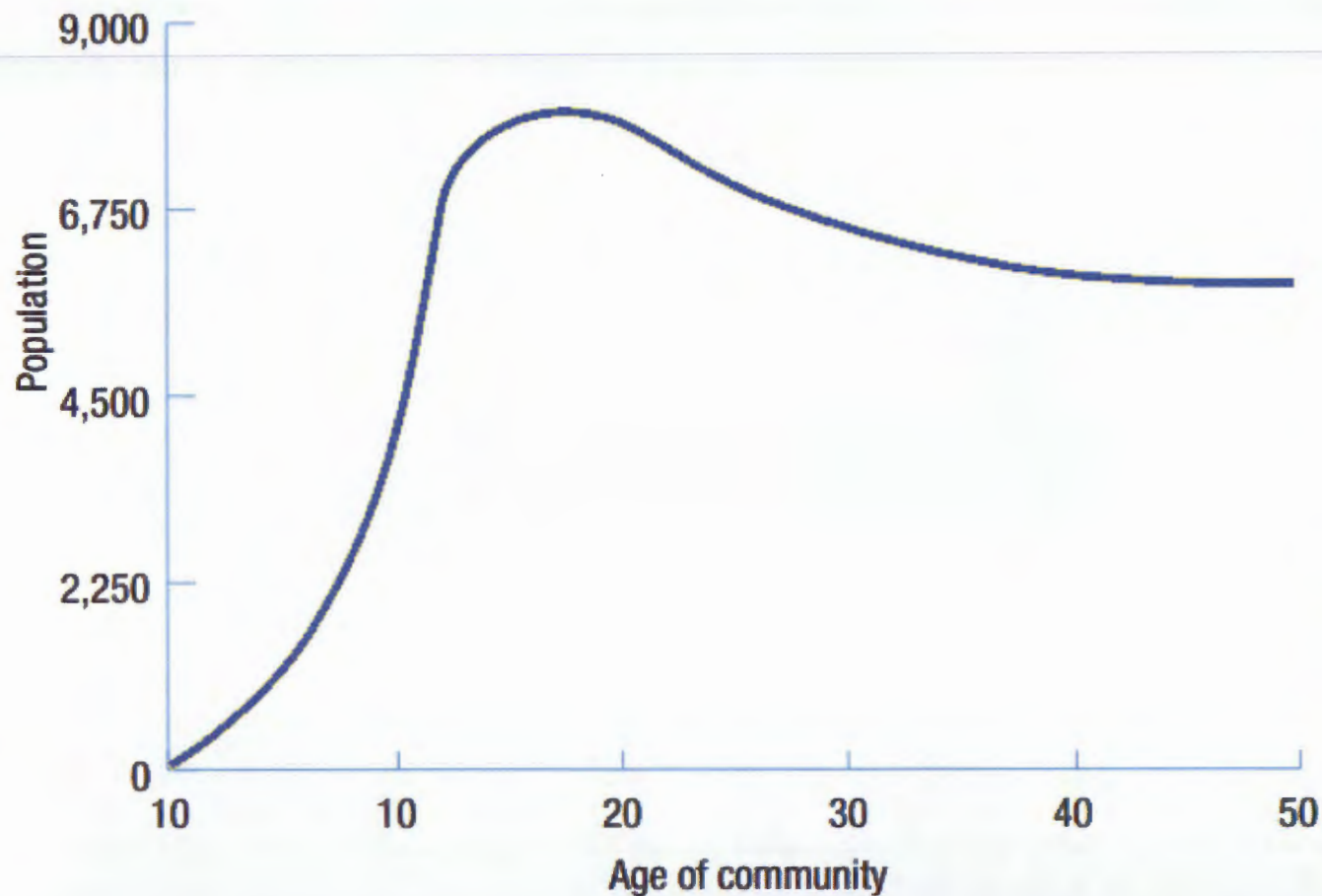
- Commercial/Mixed Use (164)
- Multi-Family (351)
- Single/Semis (3,915)



Application of Off-site Levies in Developed Areas

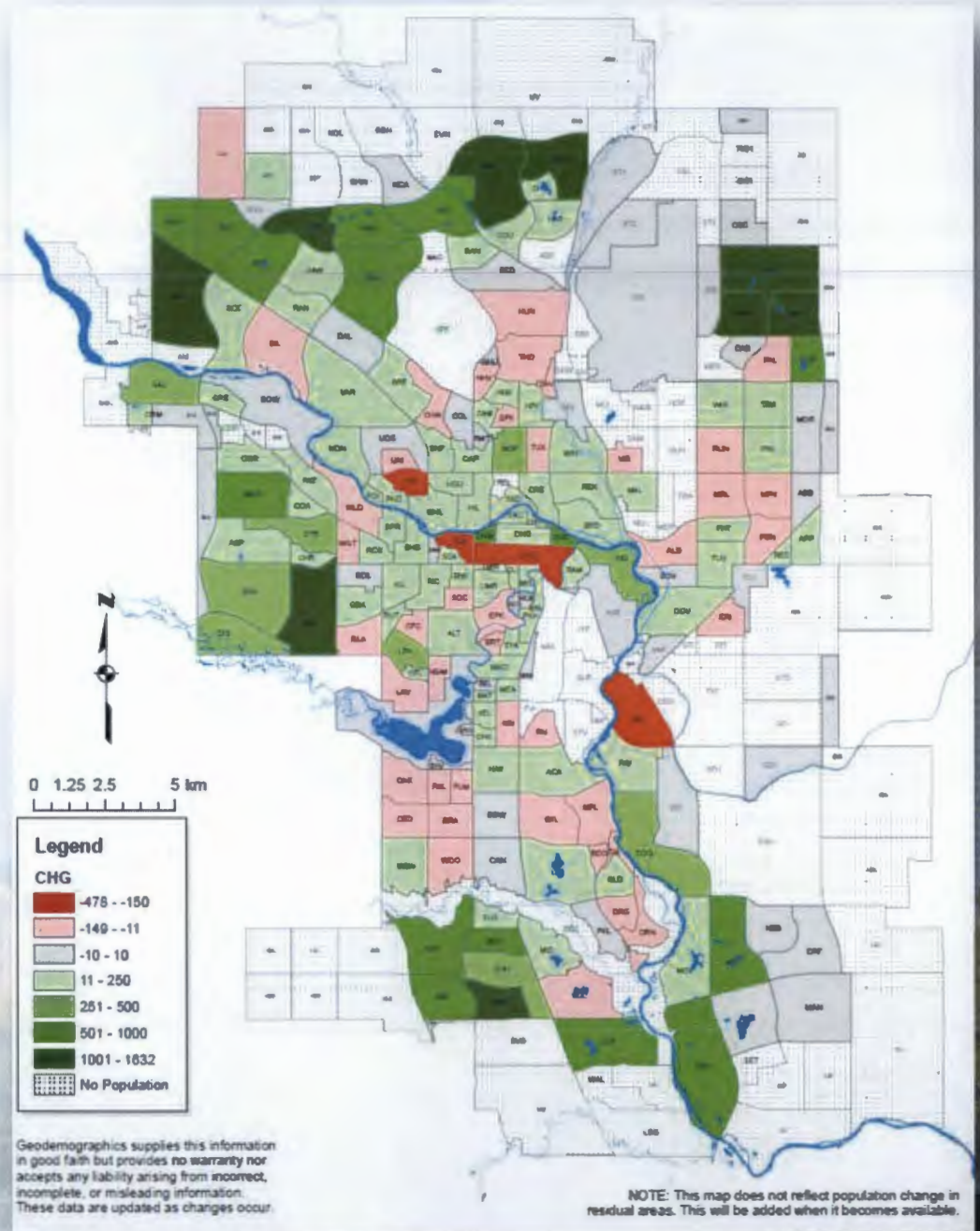
- Due to natural demographic trends populations decline over time
- Off-site levy calculations require an understanding of population patterns
- As populations decline through the natural lifecycle there can be underutilized capacity
- Redevelopment/intensification can take advantage of this capacity
- Allows for maximizing the use of existing infrastructure.

Community Population Lifecycle



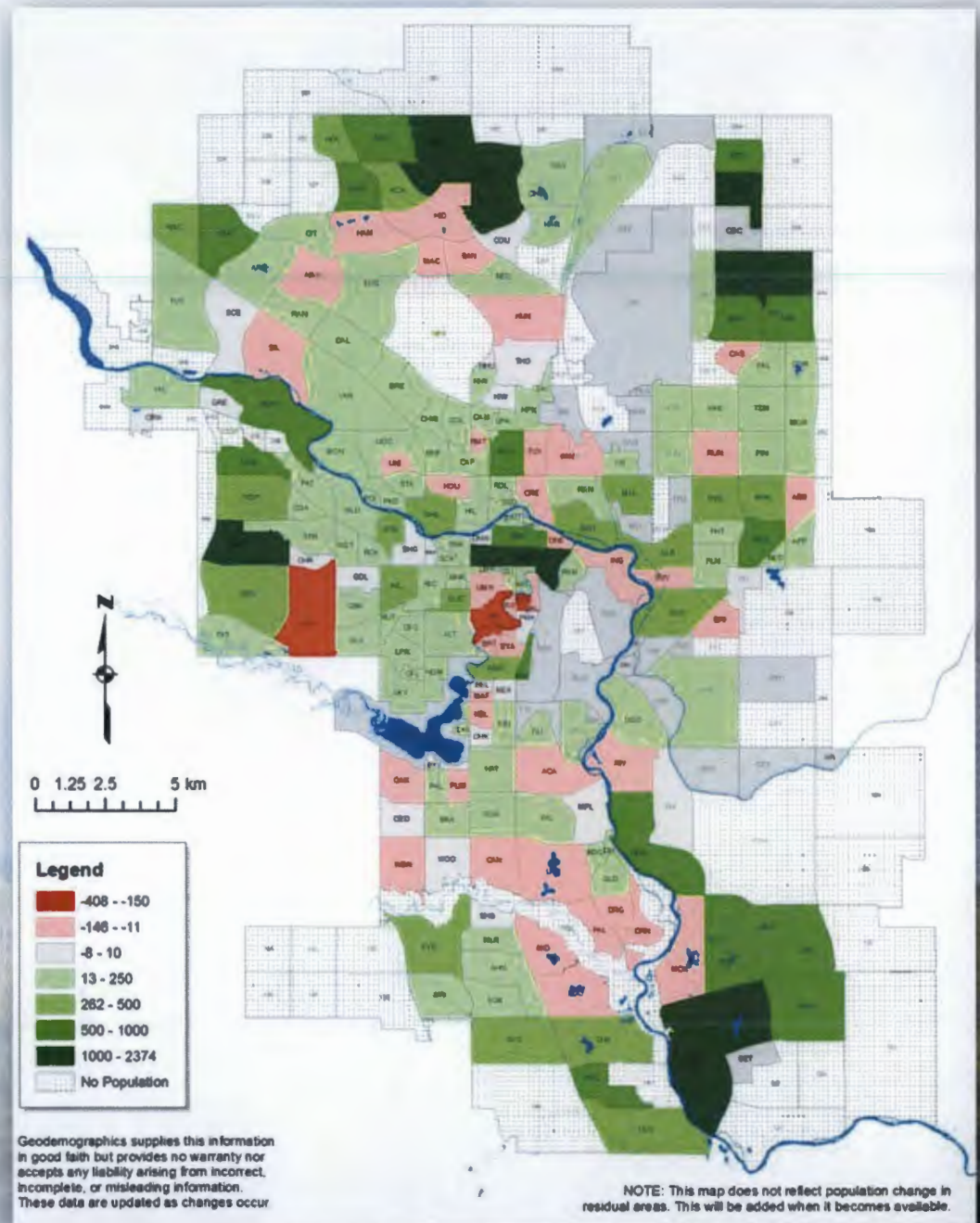
Population Growth by Community, 2001-2002

Citywide	+28,468
Greenfield	+24,363 (86%)
Developed	+4,105 (14%)

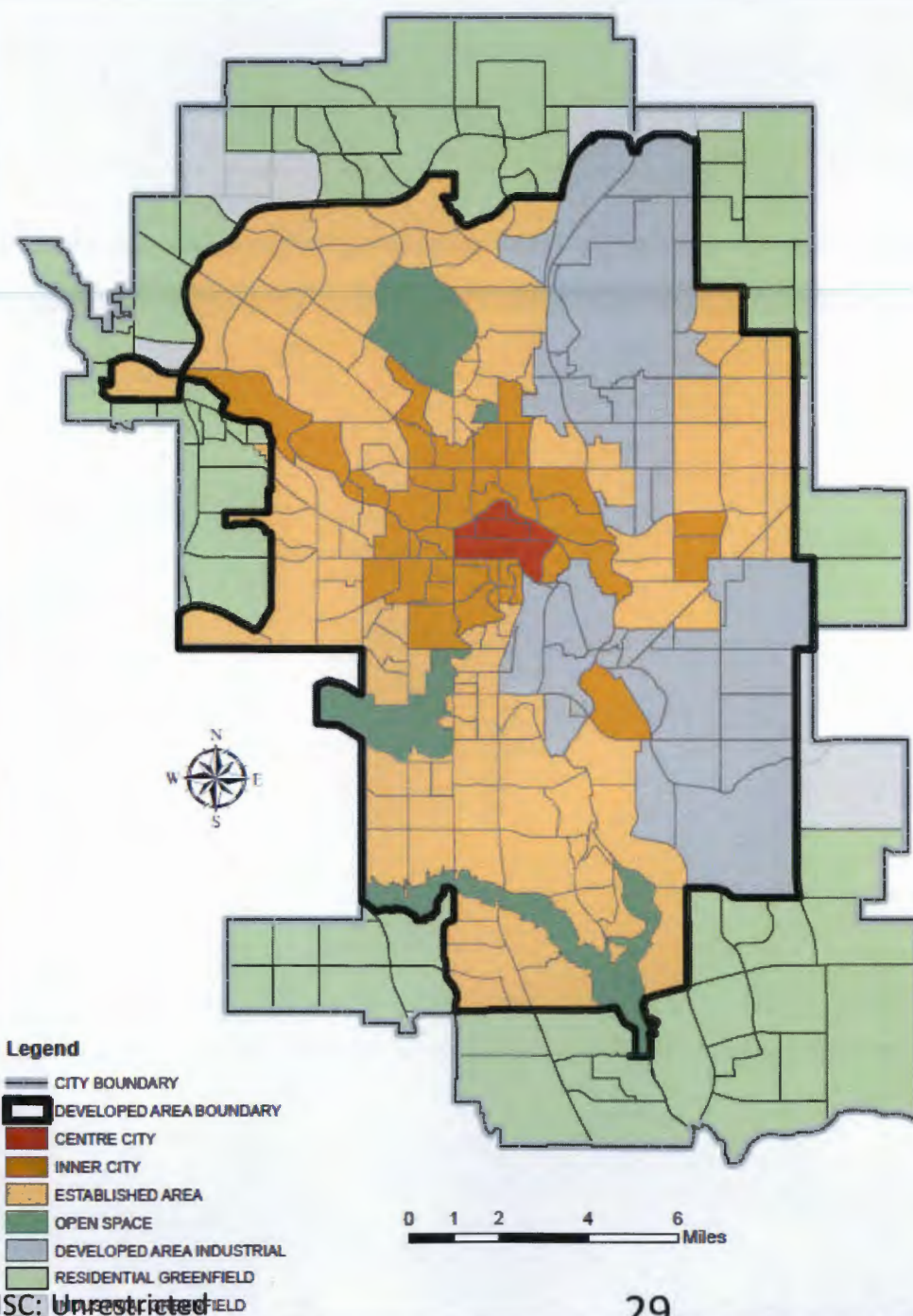


Population Growth by Community, 2013-2014

Citywide	+38,508
Greenfield	+22,281 (58%)
Developed	+16,227 (42%)



Detailed population analysis is underway to inform off-site levy calculations.



Developed Areas Population Trends

Area of the City	2002	2014	Total Change	% Change
Centre City	29,777	39,070	+9,293	+31.21%
Inner City	161,384	172,786	+11,402	+7.07%
Established Area	659,023	667,937	+8,914	+0.01%
Greenfield	52,623	310,909	+258,286	+490.82%
TOTAL	904,903	1,195,120	+290,217	+32.07%

Centre City Levies

- Levies are collected according to a rate applied per linear frontage metre
- Current Rate = \$4710/metre
 - Water \$1,092
 - Sanitary \$1,092
 - Transit & Transportation \$921
 - Fire/EMS \$90
 - Police \$60
 - Parks & Recreation \$744
 - Library \$399
 - Greenways \$312

Centre City Levy Boundary



Centre City Levy Summary

Infrastructure Component	Collected since 2007	Spent since 2007	Total Reserve Balance in Capital Deposit Accounts
Utilities	\$9,362,576	\$7,861,005	\$1,501,571
Transit	\$812,851	\$141,000	\$671,851
Fire	\$250,086	\$0	\$250,086
Police	\$166,962	\$0	\$166,962
Recreation	\$1,333,489	\$0	\$1,333,489
Library	\$1,110,630	\$0	\$1,110,630
Transportation	\$1,785,858	\$503,934	\$1,348,881
Parks/Greenways	\$1,607,863	\$193,618	\$1,411,100
Total	\$16,430,315	\$8,699,557	\$7,823,032

What Information is Needed?

- Better understanding of infrastructure capacity
- Understanding and assessment of current initiatives in developed areas
- Calculation of offside levy charges for inner city and analyzing the pros and cons of imposing them
- Investigating what other financial tools and incentive programs could be used

Proposed Key Deliverables

- Off-site levy calculations for developed areas
- Infrastructure capacity analysis
- Assessment of the Centre City program
- Coordination and review of all current redevelopment initiatives
- Identification of other redevelopment funding options/incentive programs
- Research on redevelopment funding best practices

Key Results

- Strategic support for development in existing areas
- Increased certainty for developers leading to increased interest in investing
- Increased opportunities for sharing of local infrastructure costs
- Increased support of the MDP/CTP policies

Next Steps

- Establish a cross department team including reps from:
 - Planning
 - Utilities
 - Transportation
 - Community Services & Protective Services
 - Law
 - Finance
- Finalize a work plan with deliverables and timelines
- Collaborate with internal departments and industry on solutions

Questions?



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