

Planning & Development Services Report to  
Infrastructure and Planning Committee  
2024 May 15

ISC: UNRESTRICTED  
IP2024-0568

## **Growth Application in the Belvedere Area Structure Plan (Ward 9), GA2024-001**

### **PURPOSE**

A Growth Application has been submitted in the Belvedere Area Structure Plan, which proposes a new residential development. The purpose of this report is to provide Administration's recommendation on whether the capital infrastructure and operating investments required to initiate development in the application should area be considered for funding in the Mid-Cycle Adjustment to the 2023-2026 Service Plans and Budgets in 2024 November. The recommendation is based on a criteria-based evaluation that considered Municipal Development Plan/Calgary Transportation Plan alignment, market demand and financial impact.

For this Growth Application, "Liberty Stage 2", Administration is recommending that the required investments be considered in the Mid-Cycle Adjustments. The required investments benefit an area much broader than this application, in a way that will support existing, ongoing and future housing supply in this area, based on a plan that envisions compact development built around a central transit corridor in the Belvedere Area Structure Plan. The Liberty Stage 2 Growth Application presents an opportunity to enable additional growth and housing in an actively developing sector of the city, supported by a nearby commercial centre, bus rapid transit, and relatively close proximity to employment areas.

### **PREVIOUS COUNCIL DIRECTION**

On 2023 July 26, Council endorsed a redesigned approach for how The City evaluates and enables growth opportunities to ensure that new community growth happens in the right place at the right time. This process was implemented starting 2023 August 1. This report represents one of the first Growth Applications to be submitted to The City.

#### **RECOMMENDATION:**

That the Infrastructure and Planning Committee recommend that Council direct Administration to consider the capital infrastructure and operating investments needed to enable this Growth Application (GA2024-001) alongside other potential investments in the Mid-Cycle Adjustment to the 2023-2026 Service Plans and Budgets.

#### **RECOMMENDATION OF THE INFRASTRUCTURE AND PLANNING COMMITTEE, 2024 MAY 15:**

That Council direct Administration to consider the capital infrastructure and operating investments needed to enable this Growth Application (GA2024-001) alongside other potential investments in the Mid-Cycle Adjustment to the 2023-2026 Service Plans and Budgets.

Excerpt from the Minutes of the Regular Meeting of the Infrastructure and Planning Committee, 2024 May 15:

"The following documents were distributed with respect to Report IP2024-0568:

- A presentation entitled "Belvedere Liberty Stage 2"; and
- A letter from BILD Calgary Region."

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### CITY MANAGER/GENERAL MANAGER COMMENTS

General Manager Tim Keane concurs with this report. The City's updated approach to evaluating growth opportunities improves on our longstanding commitment to enabling growth in the right places at the right times. This approach advances environmental sustainability, financial responsibility and, critically, a high-quality of life for Calgarians.

### HIGHLIGHTS

- After review, Administration recommends that it **is** the right time for the capital infrastructure and operating investments required by this Growth Application to be considered in the Mid-Cycle Adjustment to the 2023-2026 Service Plans and Budgets.
- Enabling new communities in the right places at the right time ensures that homes are built close to amenities and services, that supply is balanced with demand to support housing affordability and choice, that new investments are operating efficiently and balanced with existing financial commitments, and that the environmental sustainability of the city is considered.
- This application will enable further development an estimated 440 homes in the community of Huxley. The investments would also benefit a supply of 2,179 homes in another Growth Application (IP2024-0565), 7,866 homes in previously approved areas, as well as benefitting future growth of 4,515 homes, for a total of approximately 15,000 homes in the Area Structure Plan.
- This Growth Application requires capital infrastructure investment in the current budget cycle to enable development, and further capital infrastructure investment in future budget cycles to continue supporting growth. These investments, which will benefit areas beyond the Belvedere Liberty Growth Application, including areas previously approved for development, are outlined in Service and Financial Implications section of this report and Attachment 2.
- Liberty Stage 2 will be in favourable in proximity to transit, commercial and employment centres, and will create connections to Liberty Stage 1 and the community of Belvedere, in close proximity to transit and amenities at East Hills.

### DISCUSSION

#### *Evaluation Overview*

Within a citywide context of strategic and sustainable growth and change, planning and investment in new communities continues to play a role in supporting The City's long-term vision and objectives. In this context, guidance for how Growth Applications are to be evaluated against established criteria is set out in section 5.2.2 of the Municipal Development Plan and section 4.3 of the New Community Planning Guidebook. The criteria focus on evaluating to what extent these applications enable complete communities where people live close to amenities and services, align with the pace of absorption of serviced land, and work within The City's financial capacity.

The evaluation approach (Attachment 4) involves an Administrative review of a developer submission, followed by a recommendation that identifies whether or not Council should direct Administration to consider the necessary investments to initiate development in the Mid-Cycle

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Adjustments. If Council approves the budget with the investments included, the Growth Application is approved, and the next steps towards development can proceed.

### *Growth Application Evaluation*

The subject site is in the Belvedere Area Structure Plan (see map in Attachment 2), adjacent to Liberty Stage 1 and north of the community of Belvedere. The application was received 2024 January 15 and evaluated by a cross corporate team according to the criteria published at [www.calgary.ca/growthapplication](http://www.calgary.ca/growthapplication).

### Municipal Development Plan/Calgary Transportation Plan Alignment

- Favourably located near existing amenities, services, and transit.
- Represents a continuation and completion of the previously approved half of the Liberty development.

### Market Demand

- The sector currently includes two new communities at various stages of development.
- The East sector accounted for 1 per cent of total new community housing growth between 2018 and 2022. Forecasts for 2023-2027 are estimating an increase to 5 per cent of the new community market share with an average of 298 homes per year.
- The East sector has 3-4 years of approved and serviced land available and 23-31 years of approved – not yet serviced land as of April 2023. While the *2024-2028 Suburban Residential Growth Report* has not yet been released, land supply levels are likely to fall given increased citywide absorption forecasts.

### Financial Impact

- Favourable when comparing anticipated property tax and franchise fee revenue with estimated incremental direct and indirect operating costs for the proposed Growth Application area.
- Though it is acknowledged that the development is small relative to the capital requirement, Administration has taken an Area Structure Plan wide approach with all Growth Applications in this area in terms of mobility needs, based on the results of a Global Transportation Impact Assessment (TIA) conducted for the area. As determined by the study, existing mobility infrastructure is nearing capacity, with limited travel options to bring people to and from Belvedere. The recommended investment is required for full buildout of previously approved lands, while enabling growth in new areas including the subject application.
- This Growth Application requires additional investment in unfunded capital infrastructure, while also leveraging existing and/or funded infrastructure in the area. See the Service and Financial Implications section of this report and Attachment 2 for more information.

This Growth Application is contiguous and complementary with adjacent development. It is considered favourable both in terms of land supply and proximity to nearby services and amenities. This application leverages existing sanitary and stormwater infrastructure and investments in water utility infrastructure, currently in delivery. The recommendation reflects the merits of the application, while also recognizing the capital investment required to enable this development extends to the entire sector.

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### EXTERNAL ENGAGEMENT AND COMMUNICATION

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

As new communities are planned and designed, public engagement occurs at the Area Structure Plan and Outline Plan/Land Use Amendment stages. These steps inform the Growth Application review. Any member of the public is also able to speak on individual Growth Applications at both the Infrastructure and Planning Committee step and as part of the public component that is held as part of Mid-Cycle Adjustments in November.

Administration uses [www.calgary.ca/growthapplication](http://www.calgary.ca/growthapplication) to share information about this and other Growth Applications with regards to decision points. An applicant's statement (Attachment 5) is also provided.

### IMPLICATIONS

#### Social

The City supports Calgary's market housing needs through investing in a balanced supply of serviced land in new community areas. This can increase housing choice and affordability, and if well located, increase access to public and private amenities.

This Growth Application presents an opportunity to enable growth that is contiguous and well-located with respect to amenities and services, such as East Hills shopping centre and a future nearby transit hub (BRT). Market data indicates that this sector has on average lower real estate prices when compared to other sectors, suggesting that this sector may present affordability benefits. This growth area is relatively close to downtown.

#### Environmental

Generally speaking, new community growth involves greater greenhouse gas emissions relative to redevelopment of established areas (particularly with respect to transportation), increases climate risk, and removes natural assets. While the Growth Application process informs the sequencing of growth to prioritize access to amenities and services and efficient use of existing infrastructure, climate resilience considerations are best considered through policy and planning approvals from Outline Plan to Development and Building Permit stages. City development standards and design guidelines can have significant carbon reduction and resilience benefits when applied universally to all development through these processes.

This Growth Application, due to its proximity to a future BRT corridor, presents an opportunity to enable transit and other lower carbon mobility options, however it is still in unfavourable proximity to facilities such as recreation centres and schools. Future transit options may be favourable in this area due to its close proximity to employment areas, including the downtown, relative to other new community areas.

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### **Economic**

This Growth Application leverages existing and funded infrastructure. It requires capital investment that, while substantial in cost, will enable benefits beyond the application area, enabling and supporting future housing in the East sector. Furthermore, the analysis done using the New Community Incremental Operating Cost Model (IP2023-0981) demonstrates that anticipated property tax, franchisee fee and transit revenues will support anticipated operating costs.

### **Service and Financial Implications**

#### **Other: New operating and capital funding request**

This Growth Application requires unfunded capital infrastructure investment totalling \$111M (as detailed in Attachment 2). Approximately 51 per cent of this is eligible to be funded through the Off-Site Levy, with the remainder to be funded through other City funding sources (such as property taxes and/or utility rates). A funding source for these investments has not yet been identified, however the investments may be strong candidates for recently announced housing-related infrastructure funding programs.

Additional base tax-supported operating funding averaging approximately \$0.2M per year over the first 15 years of buildout, starting in 2028, would be required by this Growth Application, based on analysis done using the New Community Incremental Operating Cost Model (IP2023-0981) (as detailed in Attachment 2). Should this Growth Application proceed, this additional base tax-supported operating funding will be requested by the impacted services through their Service Plans and Budgets submissions as this area builds out and services are required over time.

The City budgets for additional revenues from redevelopment and new development, meaning the estimate of property taxes used in the model is not implied to be additional unbudgeted tax revenue. Rather, this indicates how much property tax could be generated by the anticipated units in the Growth Application (at current tax rates).

### **RISK**

New community growth presents several risks, such as dispersion of services and infrastructure, affordability through planned land supply, financial impacts, funding expectations and environmental impacts. These risks are discussed in further detail in attachment 6.

### **ATTACHMENTS**

1. Background and Previous Council Direction
2. Application Overview GA2024-001: Belvedere Liberty Stage 2
3. Overview of New Community Land Supply
4. Process for Growth Applications
5. Applicant Submission
6. Risks
7. Presentation
8. **Public Submissions Received at Committee**

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**Growth Application in the Belvedere Area Structure Plan (Ward 9), GA2024-001**

General Manager	Department	Approve/Consult/Inform
T Keane	Planning and Development Services	Approve
C Male	Corporate Planning and Financial Services	Consult
M Thompson	Infrastructure Services	Consult

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