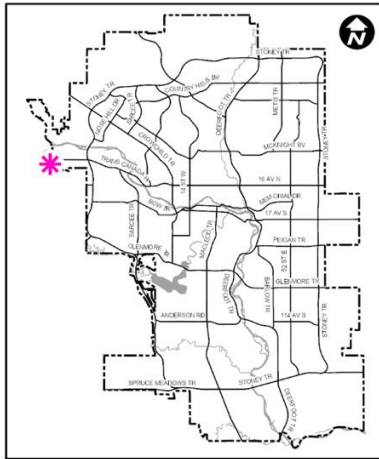


Application Overview GA2023-006: West View Qualico Crestmont

This attachment summarizes information about this Growth Application and its evaluation by Administration according to defined criteria outlined at www.calgary.ca/growthapplications.



Growth Application At-a-Glance

Area Structure Plan: West View Area Structure Plan

Community: Crestmont

Gross Developable Hectares: ±79ha

Proposed Homes: 1,338 Single/Semi homes 485 Multi-Residential homes

Commercial or Retail: 3,700m²

Municipal Development Plan/Calgary Transportation Plan Alignment

- Unfavourably located to existing or funded transit, commercial, and schools. Represents a contiguous development and would add an extension to the existing and approved community of Crestmont.

Market Demand

- West Sector has 17-23 years of vacant serviced land supply remaining as of May 2023 and currently includes 6 new communities at various stages of development.
- Anticipated strong market demand due to geographic location and development type. Due to landowner structure, West Sector serviced land does not always reflect developer readiness.

Financial Impact

- Requires unfunded capital funding investment of ±\$160M.
- Favourable result (incremental costs compared to incremental revenues) from the New Community Incremental Operating Cost Model.

Evaluation Criteria Introduction

Municipal Development Plan/Calgary Transportation Plan Alignment

Within a citywide context of strategic and sustainable growth and change, planning and investment in new communities plays 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 well established, empirical criteria as 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.

Market Demand

The Growth Application process identifies investments that strategically balance absorption with the provision of new supply. The City strives to maintain a balanced supply of land for housing in new communities, and as of 2023 May there is 10-13 years supply (for ~76,000 homes) of "approved – serviced" land. The serviced land supply is above the target of three to five years set out in section 5.2.3 of the Municipal Development Plan. Currently, there is additional "approved – not yet serviced" capacity for ~51,000 homes as of 2023 May. Significant City capital infrastructure investments will be required in upcoming budget cycles to service these lands. The criteria under Market Demand focus on the supply contribution of a Growth Application in relation to existing levels of supply in the relevant sector, and citywide.

Financial Impact

Assessing the financial impact of a new community Growth Application includes both the costs as well as revenues, and other benefits. While some infrastructure may be required initially to enable development to start, there is also additional infrastructure that will be needed as the community completes. New communities previously approved by Council that are not yet serviced still require significant City investment in infrastructure. Expansion in city infrastructure creates future financial obligations as that infrastructure will require maintenance and renewal over its lifecycle. The criteria under Financial Impact evaluate the impact on The City's financial position by analyzing the anticipated cost impacts (capital and operating) of the development proposed in the Growth Application, as well as the direct revenue impacts (property tax, franchise fees, transit).

Table 1 - Growth Application Criteria Evaluation Summary

Criteria Category	Result	Select Evaluation Criteria (full criteria available on Calgary.ca/growthapplications)	Administration Comments
Policy Alignment	Unfavourable	<ul style="list-style-type: none"> • Criterion 4 – Activity Centre, Main Streets, Employment Proximity • Criterion 5 – Employment Area Contribution • Criterion 6 – Civic Facility Proximity • Criterion 7 – Transit Proximity 	<ul style="list-style-type: none"> • Is not in favourable proximity to schools, commercial or employment centres, public facilities, and transit hubs; however, this is a comparable situation for adjacent communities. • Represents a contiguous development and would add an extension to the existing and approved community of Crestmont.
Market Demand	Favourable and Unfavourable Aspects	<ul style="list-style-type: none"> • Criterion 10 – Land Use, Outline Plan, Subdivision Timing • Criterion 12 – Technical Studies Status • Criterion 13/14 – Citywide/Sectoral Land Supply 	<ul style="list-style-type: none"> • Applicant is seeking outline plan approval in 2024, and seeking land servicing in late 2025, subject to interim servicing solutions, which cannot be supported until further study is completed and there is more certainty on capital infrastructure timing. • Infrastructure certainty is needed to inform the detailed engineering required to advance development at the outline plan stage. The City is advancing an alignment study for the feedermain and a pump station condition assessment in 2024 to refine water servicing options and costs. The City is advancing study in 2024-2025 to identify storm trunk pipe alignment and construction methodologies for required storm servicing. Supplemental transportation analysis addressing proposed staging scenarios and broader regional network connectivity would provide support for this application. • The West sector includes 6 new communities at various stages of development, which has 17 to 23 years of vacant serviced land supply as of May 2023. Due to the uniqueness of the West sector (e.g., some lands are serviced but landowners may not be motivated developers), this supply number is likely high.
Financial Impact	Unfavourable	<ul style="list-style-type: none"> • Criterion 18 – Required Capital Investment 	<p>Capital Cost (Table 2)</p> <ul style="list-style-type: none"> • Capital costs are required to initiate development, including sanitary (funded), water (unfunded), and storm (unfunded). Eventually, mobility (unfunded) investment will be required. • Some benefits of the capital costs would extend to the proposed Melcor Growth Application

Favourable	<ul style="list-style-type: none"> • Criterion 16 – Incremental Operating Cost Assessment • Criterion 17 – Revenue Assessment 	<p>Operating Costs</p> <ul style="list-style-type: none"> • Favourable when comparing anticipated property tax and franchise fee revenue with estimated incremental direct and indirect operating costs for the proposed Growth Application area.
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Table 2 – Capital Infrastructure Benefitting the Growth Application

Infrastructure	Total Estimated Cost (\$M)	Remaining Required Budget (\$M)	Funding Status	Planned in Service Date	Notes	In Off-Site Levy Bylaw (Y/N)	Maximum Levy Funding (\$M) (% OF TOTAL)	City Funded Amount (\$M)
Crestmont/Valley Ridge Feedermain Loop (Phases 1-3)	24.0	24.0	Unfunded	Future	Required to progress development in the Growth Application area. The City is progressing preliminary design in 2024 to inform alignment options and project costs.	Y	24.0 (100%)	-
Valley Ridge Pump Station #41 Upgrades	15.0	15.0	Unfunded	Future	Required to progress development in the Growth Application area. The City is progressing a Pump Station condition assessment and study in 2024 to inform upgrade options and cost.	Y	15.0 (100%)	-
TransCanada Sanitary Trunk	119.2	-	Funded	2026	Required to progress development in the Growth Application area. Development cannot proceed within the Growth Application area until this infrastructure is operational.	Y	43.2 (36%)	76.0
Inglewood Sanitary Trunk Upgrades Phase 2	33.2	-	Funded	2024	Not required to progress development in the Growth Application area, but growth in subject lands will contribute to this downstream upgrade that is required to service the overall sanitary trunk catchment.	Y	6.9 (21%)	26.3
Shouldice Sanitary Trunk Upgrades	30.2	30.2	Unfunded	Future	Not required to progress development in the Growth Application area, but growth in subject lands will contribute to this future downstream upgrade that is required to service the overall sanitary trunk catchment	Y	2.1 (7%)	28.1

Infrastructure	Total Estimated Cost (\$M)	Remaining Required Budget (\$M)	Funding Status	Planned in Service Date	Notes	In Off-Site Levy Bylaw (Y/N)	Maximum Levy Funding (\$M) (% OF TOTAL)	City Funded Amount (\$M)
Westview Storm Trunk	36.3	36.3	Unfunded	Future	Required to progress development in the Growth Application area. The City plans to advance the feasibility study in 2024-25 to evaluate the alignment options and cost of the proposed West View Storm Trunk.	N	36.3 (100%)	-
TransCanada Highway/133 Street NW Partial Interchange	50.0	50.0	Unfunded	Future	Required for full build-out of the Growth Application area and adjacent lands, but not required for the initial phase of development described in the application.	N	25.5 (51%)	24.6
BRT Service – Route 305 West Improvements	35.0	35.0	Unfunded	Future	Required. Providing a new transit line along the West Bow corridor, this project improves transit service between Downtown and new and developed communities in NW Calgary. Exact routing to be determined through a functional planning study.	N	7.5 (21%)	27.5
Total Unfunded Upfront Investments	160.3	160.3					108.2	52.1
Total	342.9	190.5					160.5	182.4

Note 1: Table 2 includes all capital infrastructure investments related to the full build out of the Growth Application. Rows shaded in blue identify unfunded investments that are needed upfront to enable development in the Growth Application. Unshaded rows identify infrastructure investments that are already funded or are required to support the full build out of the Growth Application but will be triggered and brought forward in future budget cycles. Note that all identified investments benefit areas beyond the Growth Application, including previously approved lands as well as the broader West View area.

Note 2: The total anticipated capital costs required to service this Growth Application reflected in this report and attachments are estimates only and are subject to change. The level of accuracy of project costs related to infrastructure delivery evolve throughout the stages of a project as design progresses, as construction methodologies are confirmed and as procurement strategies are developed. Infrastructure pricing is also influenced by availability of materials and contractors, and market demand.

Note 3: Administration has endeavoured to reflect the most current anticipated capital costs at the time of preparation of this report.

As some of the infrastructure projects are still in conceptual and early planning stages, there is a high degree of variability. As costs are documented at a given point in time, they may also not align with infrastructure costs that are published in the annual Offsite Levy Report, as these two sources are developed at different timeframes.

Table 3 – Operating Cost Summary (\$000s)

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Total Revenue	\$ 223	\$ 580	\$ 937	\$ 1,293	\$ 1,650	\$ 2,186	\$ 2,546	\$ 2,907	\$ 3,268	\$ 3,628	\$ 3,989	\$ 4,605	\$ 5,030	\$ 5,030	\$ 5,030
Less: Total Operating Costs	\$ (24)	\$ (44)	\$ (81)	\$ (102)	\$ (122)	\$ (653)	\$ (702)	\$ (818)	\$ (849)	\$ (884)	\$ (915)	\$ (1,012)	\$ (1,102)	\$ (1,111)	\$ (1,111)
Net Balance	\$ 199	\$ 536	\$ 855	\$ 1,192	\$ 1,528	\$ 1,533	\$ 1,844	\$ 2,089	\$ 2,418	\$ 2,744	\$ 3,073	\$ 3,593	\$ 3,928	\$ 3,919	\$ 3,919

Note 4: Total revenue reflects the anticipated City portion of property taxes, franchise fee and transit revenues to be generated by the Growth Application area only, at prevailing tax rates, and is not implied to be additional unbudgeted tax revenue. Total operating costs reflect anticipated incremental direct and indirect service level operating costs within the Growth Application area only, including Transit and Fire, and does not consider total citywide operating costs, operating costs of capital, nor costs beyond the 15-year timeframe. This analysis also does not consider that anticipated citywide growth could shift to this area from others (i.e., the growth cannot be assumed to necessarily be net new to Calgary).