

**Planning & Development Services Report to
Infrastructure and Planning Committee
2025 April 02**

**ISC: UNRESTRICTED
IP2025-0338**

Growth Application in the Providence Area Structure Plan (Ward 13), GA2023-001

PURPOSE

The purpose of this report is to recommend that the capital and operating investments for the Growth Application within Alpine Park and Community B in the Providence Area Structure Plan ("Providence") not be considered for funding through the 2025 November Adjustments to the 2023-2026 Service Plans and Budgets, and that Administration continue collaborating with the applicant on planning for future stages of capital infrastructure.

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 (IP2023-0559). This process was implemented starting 2023 August 1 (see Attachment 1).

On 2024 May 28, when this Growth Application was previously before Council, Administration was directed to not consider capital and operating investments in the Mid-Cycle budget adjustments and to continue collaborating with the applicant in planning for continuity of growth, and to initiate sanitary design in 2024 with a view to a funding request to support 2026 delivery.

RECOMMENDATIONS:

That the Infrastructure and Planning Committee recommend that Council:

1. Direct Administration to continue working with the applicant on the planning for future stages of capital infrastructure, including optimal timing of funding and delivery, to ensure the ability for continuity of growth in the Providence Area Structure Plan; and
2. Direct Administration not to consider the capital and operating investments needed to enable this Growth Application (GA2023-001) in the prioritization of investments in the 2025 November Adjustments.

**RECOMMENDATION OF THE INFRASTRUCTURE AND PLANNING COMMITTEE,
2025 APRIL 2:**

That Council:

1. Direct Administration to continue working with the applicant on the planning for future stages of capital infrastructure, including optimal timing of funding and delivery, including facilitating circulation and review for new community stripping and grading, subdivision and/or engineering design in advance of land use, to plan for growth in the Providence Area Structure Plan in alignment with the timing for delivery of capital infrastructure, when approved by Council; and
2. Direct Administration not to consider the capital and operating investments needed to enable this Growth Application (GA2023-001) in the prioritization of investments in the 2025 November Adjustments.

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Excerpt from the Minutes of the Regular Meeting of the Infrastructure and Planning Committee,
2025 April 2:

“A presentation entitled "Providence: A Path Forward" was distributed with respect to Report IP2025-0334.

...

Moved by Councillor McLean

That with respect to Report IP2025-0338, the following be approved:

That the Infrastructure and Planning Committee recommend that Council:

1. Direct Administration to continue working with the applicant on the planning for future stages of capital infrastructure, including optimal timing of funding and delivery, including facilitating circulation and review for new community stripping and grading, subdivision and/or engineering design in advance of land use, to plan for growth in the Providence Area Structure Plan in alignment with the timing for delivery of capital infrastructure, when approved by Council; and
2. Direct Administration not to consider the capital and operating investments needed to enable this Growth Application (GA2023-001) in the prioritization of investments in the 2025 November Adjustments.

For: (9) Councillor Chu, Councillor Sharp, Councillor Spencer, Councillor Walcott,
Councillor McLean, Councillor Wyness, Councillor Mian, Councillor Penner, and
Councillor Chabot

MOTION CARRIED”

GENERAL MANAGER COMMENTS

General Manager Debra Hamilton concurs with this report based on the evaluation of available land supply, required investment and the need for further design work. The City is committed to enabling growth in the right places at the right times. This advances environmental sustainability, financial responsibility and, critically, a high-quality of life for Calgarians.

HIGHLIGHTS

- Administration recommends that it is not the right time for the capital and operating investments required by this Growth Application to be considered in The City's Service Plans and Budgets process, due to the need for further design and scheduling work for infrastructure, available land supply and the magnitude of the capital requirements.
- This Growth Application requires \$231M in capital investments in water, sanitary and storm to initiate development. For full buildout, a further \$107M for utility and \$187M for mobility infrastructure will be required, for a total of \$525M. These investments are outlined in the Service and Financial Implications section and in Attachment 2.
- This is a large Growth Application that would continue the development of Alpine Park and Vermillion Hill to the north. It represents ±9,600 homes as well as ±47,600 square

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metres of commercial space in the South new community sector, which has approximately five to seven years of serviced land supply.

- This Growth Application is favourably located relative to activity centres and schools, and unfavourably located relative to libraries, recreation centres and transit hubs.

DISCUSSION

Evaluation Overview

Within a context of strategic and sustainable growth, investment in new communities continues to play an important role in supporting The City's long-term vision and objectives on housing.

Guidance for how Growth Applications are evaluated against 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 align with the city building goals of the Municipal Development Plan/Calgary Transportation Plan, respond to market demand, and are financially positive for The City and the local economy.

Growth Application Evaluation

The subject site is south of Alpine Avenue SW and west of Stoney Trail SW. The application was received in 2023 November and evaluated by a cross corporate team. This evaluation is summarized below and in Attachment 2.

This evaluation reflects updated information that has become available since this file was brought forward to the Infrastructure and Planning Committee in 2024 May. In particular, costs and scheduling for capital investments, and absorption and serviced land capacity have been updated.

Municipal Development Plan/Calgary Transportation Plan Alignment

- Favourably located relative to retail amenities and schools and unfavourably located relative to libraries, recreation centres, and transit hubs, based on the evaluation criteria.
- Provides additional housing and would enable the development of commercial amenities and services in the Providence Area Structure Plan.
- Contiguous with existing development in Alpine Park and Vermillion Hill to the north.

Market Demand

- The South sector currently includes eight new communities at various stages of development.
- As of 2024 May, the South sector has five to seven years of serviced land capacity plus an additional four to five years of approved but not yet serviced land. See Attachment 3 for more information.
- In the Providence Area Structure Plan specifically, as of the end of 2024, Vermillion Hill has serviced land available for 740 single/semi-detached homes and 74 multi-residential homes, while Alpine Park can accommodate a further 1,020 single/semi-detached homes and 2,332 multi-residential homes. Recent water investments have increased serviced land in 2025.

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Financial Impact

- This Growth Application requires capital investment of \$525M (\$231M to enable and \$294M for continued growth).
- Enabling any portion of this Growth Application requires capital investment of \$231M for water, sanitary and stormwater infrastructure. This substantial investment requires time for planning and design, including inputs from the applicants, to prepare for delivery and implementation, which cannot practically occur in advance of 2027. Additional investment in water infrastructure, estimated at over \$107M, will be required in the future as the population in the Area Structure Plan approaches 40,000.
- Servicing the total Growth Application area requires an interchange at Highway 22X and 53 Street SW (estimated at a total cost of \$85M shared between the City and Foothills County; City portion is estimated at \$69M) and Bus Rapid Transit on 162 Avenue SW (estimated at \$118M west of Stoney Trail SW). A Global Transportation Impact Assessment is underway, but not yet complete, to determine the timing and triggers for the mobility infrastructure.
- Operating impact is favourable when comparing anticipated property tax and franchise fee revenue with estimated incremental direct and indirect operating costs through the New Community Incremental Operating Cost Model (IP2023-0981).
- See the Service and Financial Implications section of this report and Attachment 2.

Given the substantial capital investment needed in this area, the ongoing preliminary planning and design work needed to appropriately stage the infrastructure (including alignment with development location), and the need to reflect these inputs into finalized budget requests, Administration's recommendation is to not consider the required investments at this time and to continue to collaborate with the applicant group. There is availability of serviced land in the Providence Area Structure Plan and in the South sector more broadly, and the planning and design work underway does not require additional capital approvals at this time.

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 opportunities occur at the Area Structure Plan and Outline Plan/Land Use Amendment stages. These steps inform the Growth Application review. The Service Plans and Budgets process includes public engagement opportunities. Any member of the public is also able to speak on individual Growth Applications at both the Infrastructure and Planning Committee and as part of the public hearing that is held on the broader annual budget adjustments in November.

Administration uses www.calgary.ca/growthapplication to share information about this and other Growth Applications. An applicant's submission (Attachment 4) is also provided.

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IMPLICATIONS

Social

The City supports 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 relies on amenities and services east of Stoney Trail SW, ranging from four to ten kilometres away, such as retail, schools, libraries, recreation centres, and transit hubs. Development in this Growth Application would help enable the location of amenities and services in Providence.

Environmental

Generally, new community growth involves greater greenhouse gas emissions relative to redevelopment in established areas (particularly with respect to mobility), increases climate risk and removes natural assets. 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.

In the near term, the location of this Growth Application will likely result in a vehicle dependent community, increasing greenhouse gas emissions. Over the longer term, strategic opportunities exist to encourage more compact, mixed-use and complete communities, enabled by Bus Rapid Transit service.

Economic

Enabling private housing development creates jobs, boosts economic activity, and can support housing affordability. This is an important part of Calgary's comparative advantage relative to other cities. New communities trigger significant economic activity both in the course of development and throughout their lifespan.

Service and Financial Implications

Operating: No anticipated financial impact

Based on the recommendation there is no anticipated operating or capital investment impact to the 2025 November budget adjustments. Administration will continue to work with the applicant and identify the operating and capital investments required to be prioritized when it is the right time.

If this Growth Application were to move forward, base tax-supported operating investments of \$0.04M would be required starting in 2027 and would require base tax-supported operating investment of \$11.84M by the final build out year through future budget cycles (Attachment 2, Table 4) based on analysis done using the New Community Incremental Operating Cost Model (IP2023-0981).

Capital: No anticipated financial impact

There is no impact from the Administration recommendation. Enabling this Growth Application, if it were to move forward, would require capital investment of \$230.9M for water, sanitary and stormwater infrastructure, and further \$294.4M investment in utility and mobility infrastructure in

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future Service Plans and Budgets. This substantial investment requires continued preliminary planning and design work, including applicant input in order to ensure infrastructure delivery phasing aligns with the applicants' development phasing. The size and context of the capital needed to advance this Growth Application is better considered in the 2027-2030 Service Plans and Budgets.

Capital investment in utility infrastructure funded through the 2023-2026 Service Plans and Budgets, including a recently commissioned pump station, feedermain segments, storm trunks, and a new storm outfall, have increased serviced capacity by 1,300 homes. Since 2024 May, the applicants and The City have collaboratively advanced preliminary planning and design work on water feeder mains, the future reservoir site, sanitary trunks and storm trunks as well as the transportation impact analysis.

RISK

New community growth is a long-term commitment that presents several risks which are discussed in further detail in Attachment 5.

ATTACHMENT(S)

1. Background and Previous Council Direction
2. Application Overview
3. Overview of New Community Land Supply
4. Applicant Submission
5. Risk Analysis for Growth Applications
6. Presentation
7. **Public Submission Received at Committee**

Department Circulation

| General Manager/Director | Department | Approve/Consult/Inform |
|--------------------------|-------------------------------------------|------------------------|
| D Hamilton | Planning and Development Services | Approve |
| L Tochor | Corporate Planning and Financial Services | Consult |
| M Thompson | Infrastructure Services | Consult |
| D Morgan | Operational Services | Consult |
| K Black | Community Services | Inform |

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City Clerks: K. Picketts / C. Doi