



Planning for Growth at The City of Calgary

CPAA Conference April 15, 2015



Onward! The City will serve citizens through engagement, transparency, resiliency and innovation.





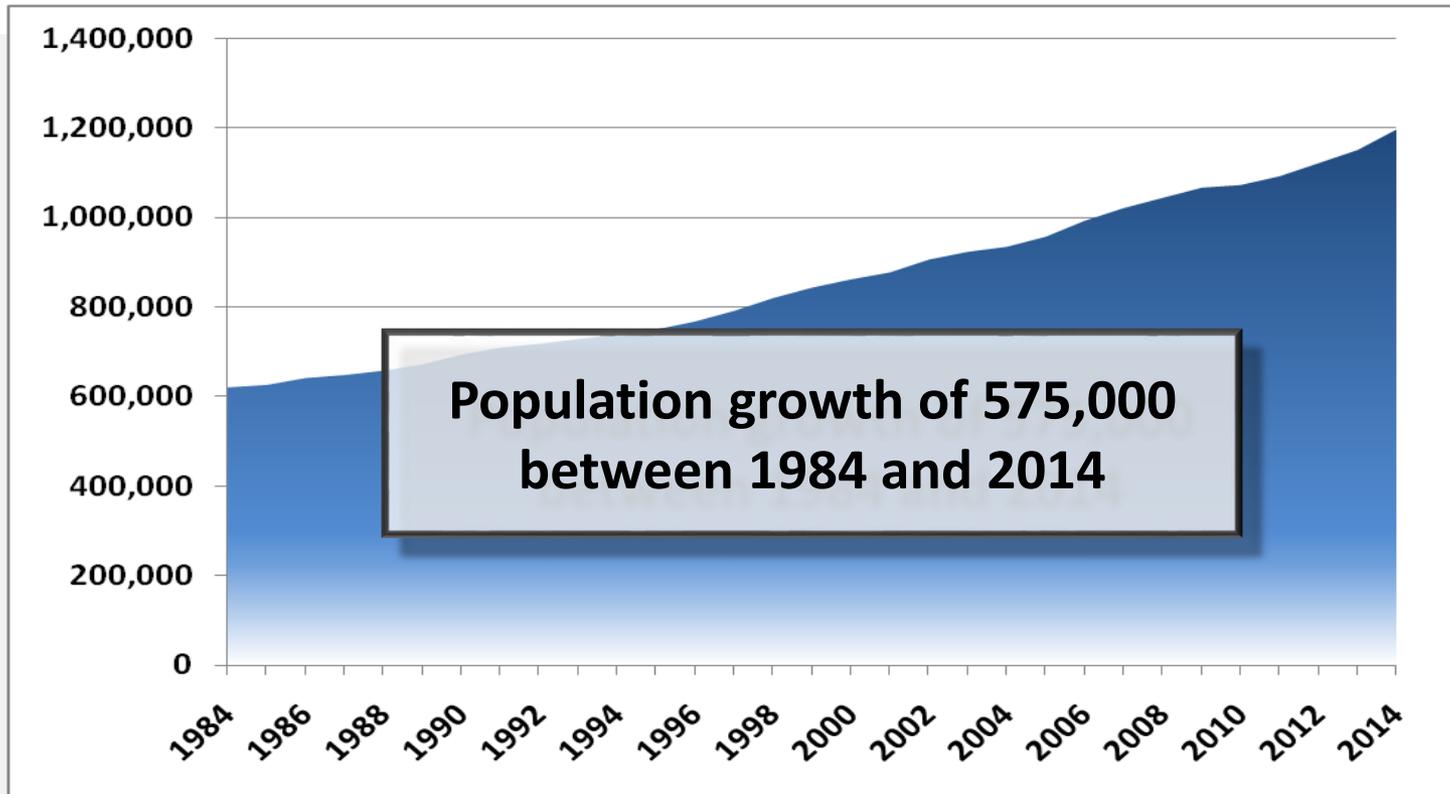
Introduction

- Kathy Dietrich, Manager of Growth Management, City of Calgary
 - Registered Professional Planner
 - 30 years experience – Ontario and Alberta
 - Graduated with an MBA in 2012
 - Merging planning and business skills has been beneficial for understanding the challenges related to growth



Calgary's Growth Story

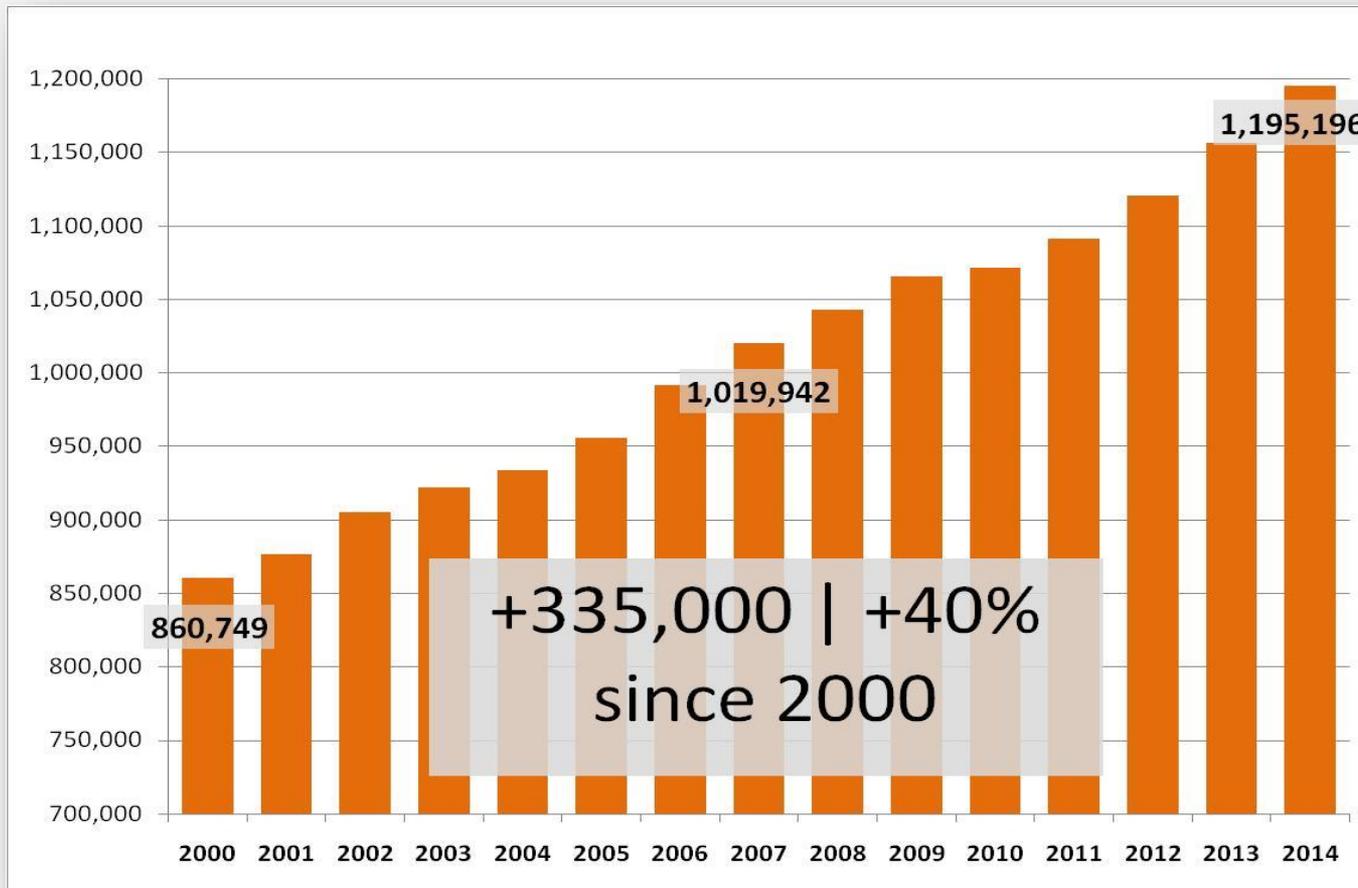
- Calgary has grown for 30 consecutive years.





Calgary's Growth

- Calgary is growing ... fast.



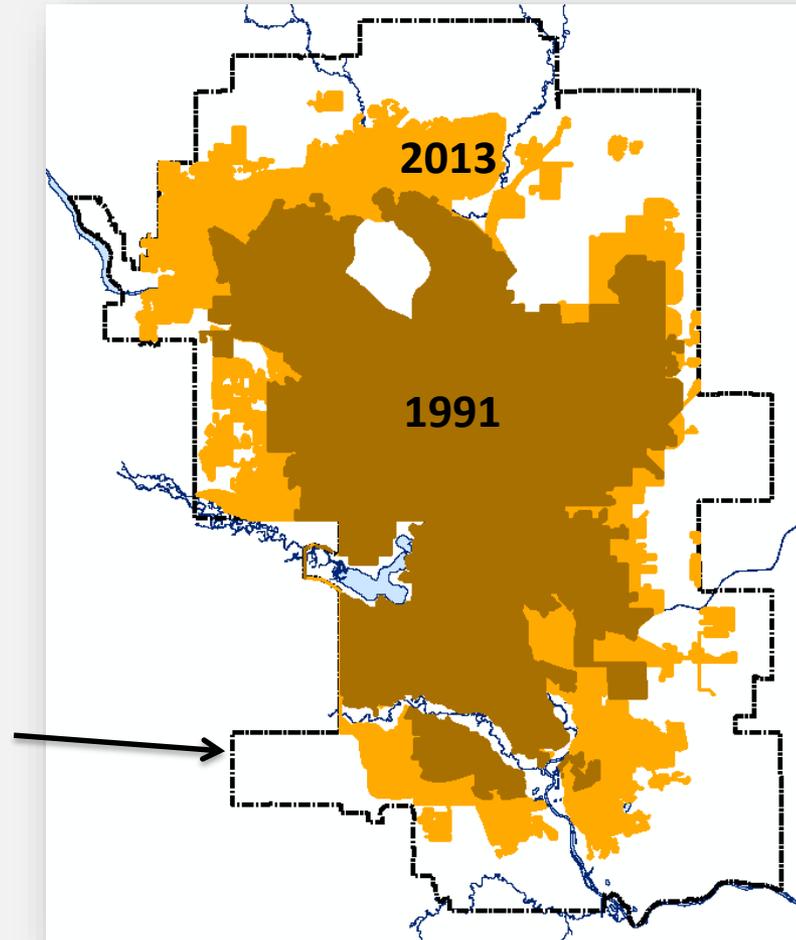


Calgary's Growth

- Calgary is growing ... fast.

Spatial growth of +134 km²
between **1991** and **2013**.

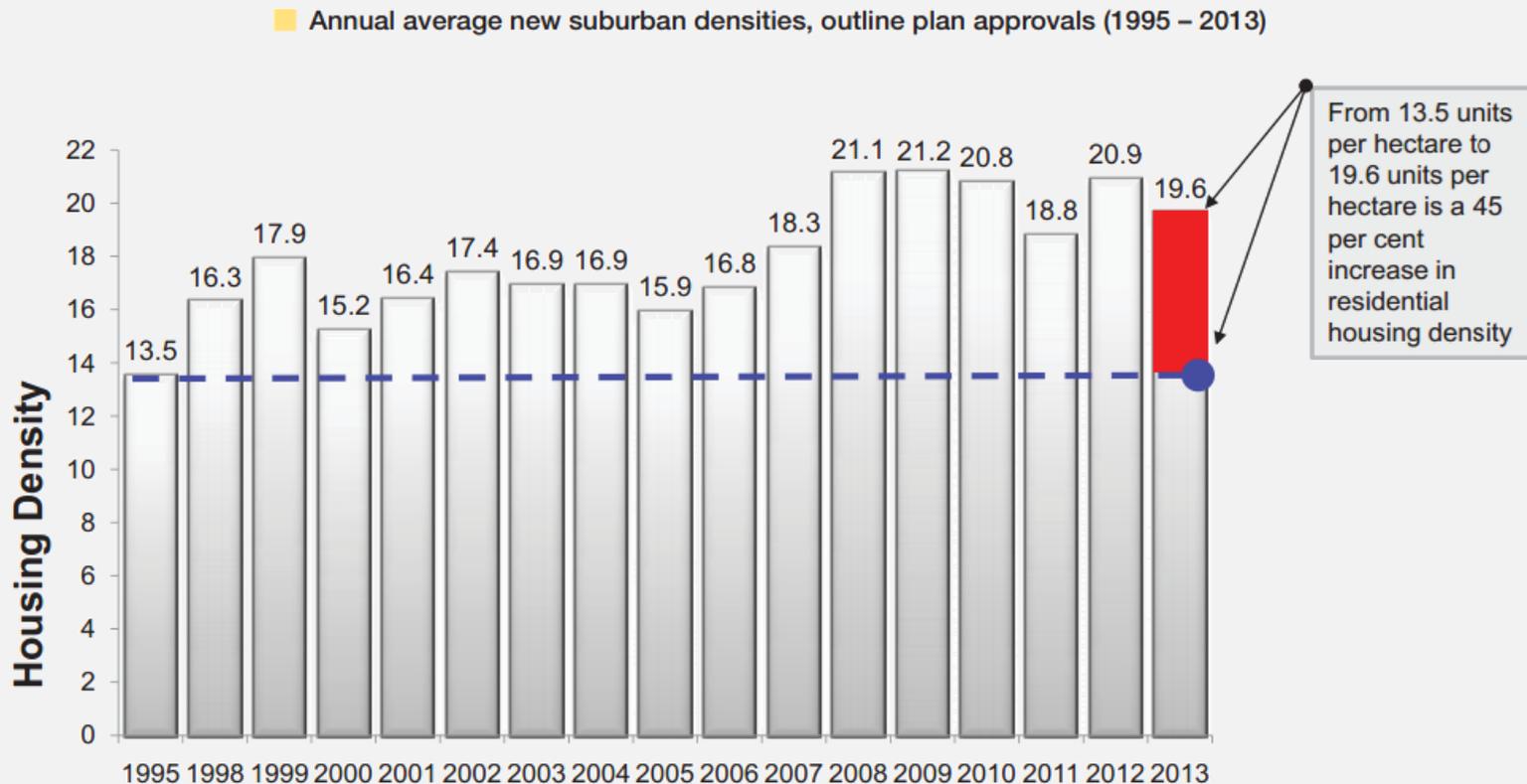
Today's
Boundary





Growth Patterns are Changing.

- Growth patterns are changing.

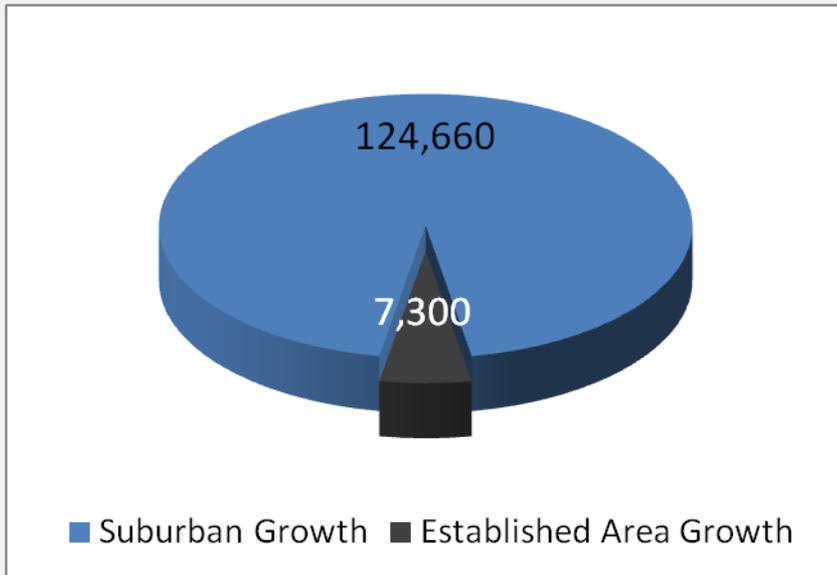




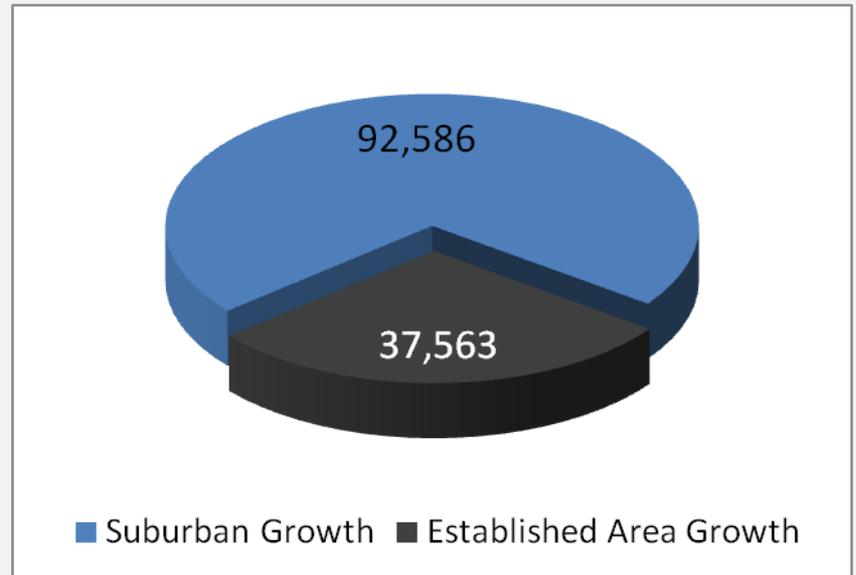
Growth Patterns are Changing

- Growth patterns are changing.

2005-2009 Growth Split



2010-2014 Growth Split





Is Growth Good?

- **Strong Benefits of Growth**
 - Investment , job creation, stimulated commercial and industrial development, fosters Calgary as an attractive destination.
- **Challenges of Growth**
 - Significant demand on City infrastructure / services
 - Meeting industry expectations for facilitating growth
 - Achieving policy goals

We grew by the population of Airdrie in just less than a year and a half



3 Fire Stations



1001 Fire Hydrants

106 km Pathways



5 Indoor Rinks



2 Police Stations

64 Playgrounds



Trees
12,295

1 Library

119 Bus Stops



331 km Sidewalks

5 Off-Leash Parks



18 Schools

252 km Roads





Accommodating Growth

- **How** did we accommodate 40,000 in 2014?
 - 10,491 natural increase ←
 - 28,017 net migration
 - **38,508 total**
- Of the 38,508
 - 22,281 – in newly developing suburbs
 - 16,227 – in the developed areas ←
- Of the 22,281
 - 60% single/semi units
 - 40% new multi units ←



Growth Management

- What is growth management?
 - It is multiple initiatives working in conjunction to ensure growth occurs in a way that contributes to our quality of life.
 - It is Planning Polices working together with fiscal instruments to achieve planning goals.



Growth Management

- Creating growth strategies is a continual journey focused on achieving:
 - Contiguous growth and complete communities
 - Fiscal responsibility
 - Risk Mitigation
 - Maximized opportunities



Growth Strategies

- Growth Strategies Include:
 - Establishing Guiding Policies
 - Ensuring there is enough Land Supply ready for Development
 - Sequencing or phasing of development
 - Utilizing Financial Tools to fund the cost of growth
 - Needs to be a constantly evolving system



The City of Calgary Guiding Policy

- Municipal Development Plan and the Calgary Transportation Plan
 - More compact and complete communities
 - % of population absorbed in Greenfield Areas should decrease
 - % of population in Developed Areas should increase
 - to make more efficient use of infrastructure
 - reduce urban sprawl and our overall footprint



Guiding Policy - Growth Management Specifics

1. Provide a wide choice of housing types and locations.
2. Provide leadership on intensification through investment in infrastructure.
3. Improve decision making by considering fiscal implications.
4. Improve decision making through strategic interdepartmental processes.
5. Sets various targets for land supply.



Growth Management

- The aspects I will focus on today:
 - Land Supply Strategies
 - Phasing Growth Strategies
 - Charging Developers Offsite Levies
 - Fostering Re-development



Land Supply Strategy

- Land supply information tells us **how much** and **where** development capacity exists
- As population grows, demand for housing grows
- Land supply forecasting and planning tells us what new capacity is needed to respond to growth



Land Supply Challenges

- In the housing market, it takes time to create supply
- Too **little** supply drives up the cost of housing which can affect affordability, reduce competition and discourages innovation
- Too **much** supply leads to premature investment in infrastructure, ties up money, and slows build out of communities
- Requires long term planning and finding the right balance

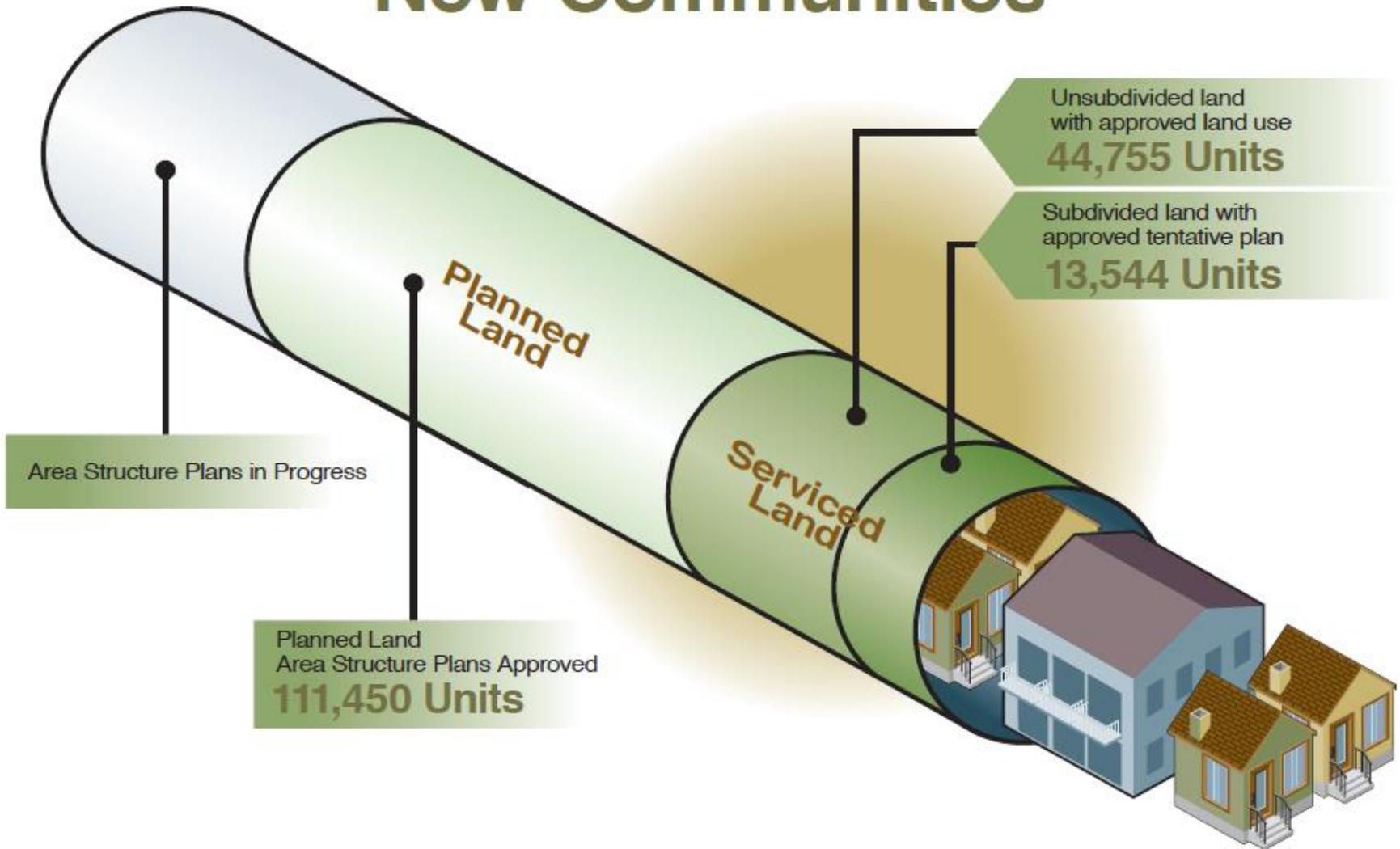


Municipal Development Plan - Land Supply Targets

Indicator	Definition	MDP Target	Current Supply**
Land Within Boundary	<ul style="list-style-type: none">• Developable land remaining within city limits	30 years <i>(MDP 5.2.2.b)</i>	Up to 35 years
Greenfield Planned Land Supply	<ul style="list-style-type: none">• With approved Area Structure Plans• 2 ASPs complete and 4 ASPs ongoing	15 years <i>(MDP 5.2.3.a)</i>	Up to 25 years <i>(once Developer Funded Area Structure Plans are complete)</i>
Greenfield Serviced Land Supply	<ul style="list-style-type: none">• Fire*, Transportation*, Water, Sanitary and Storm servicing	2-5 years suburban* <i>(MDP 5.2.3.b, Land Supply Strategy)</i>	3 years

The Residential Pipeline

New Communities





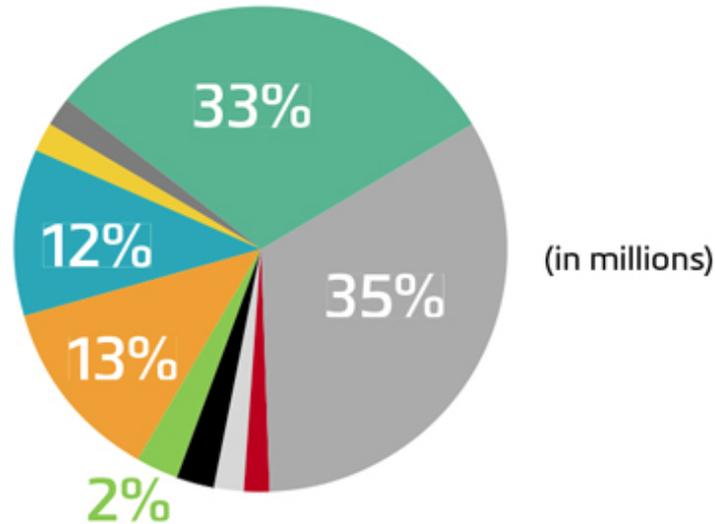
Aligning Budgets

- Aligning Capital Budgets
 - Strategic investment in infrastructure leads to the faster build out of communities.
 - Requires coordination of budgets across departments.
 - Supportive policies and tools are needed to motivate the development industry to take advantage of intensification opportunities.



Capital Budget

The City's 2015-2019 capital plan totals \$7.6 billion



- Planning Development & Assessment (\$51) ■ Civic Partners (\$98)
- Community Services & Protective Services (\$1,012)
- Transportation (\$2,511) ■ Corporate Administration (\$28)
- Calgary Police Service (\$65) ■ Calgary Parking Authority (\$174)
- Utilities & Environment Protection (\$2,679)
- Corporate Services (\$927) ■ Calgary Housing Company (\$17)

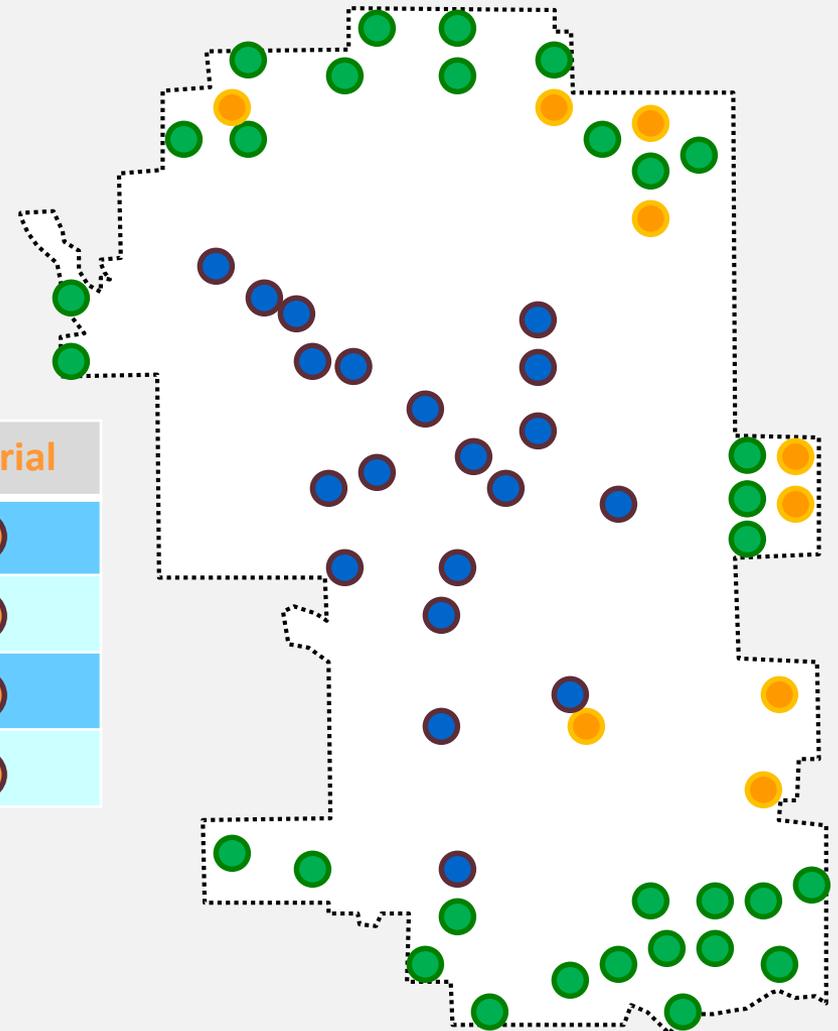


Sequencing Growth

A city-wide priority list for all growth and intensification areas.

Where 1st

	Developed	Developing	Industrial
1 st Priority			
2 nd Priority			
3 rd Priority			
4 th Priority			





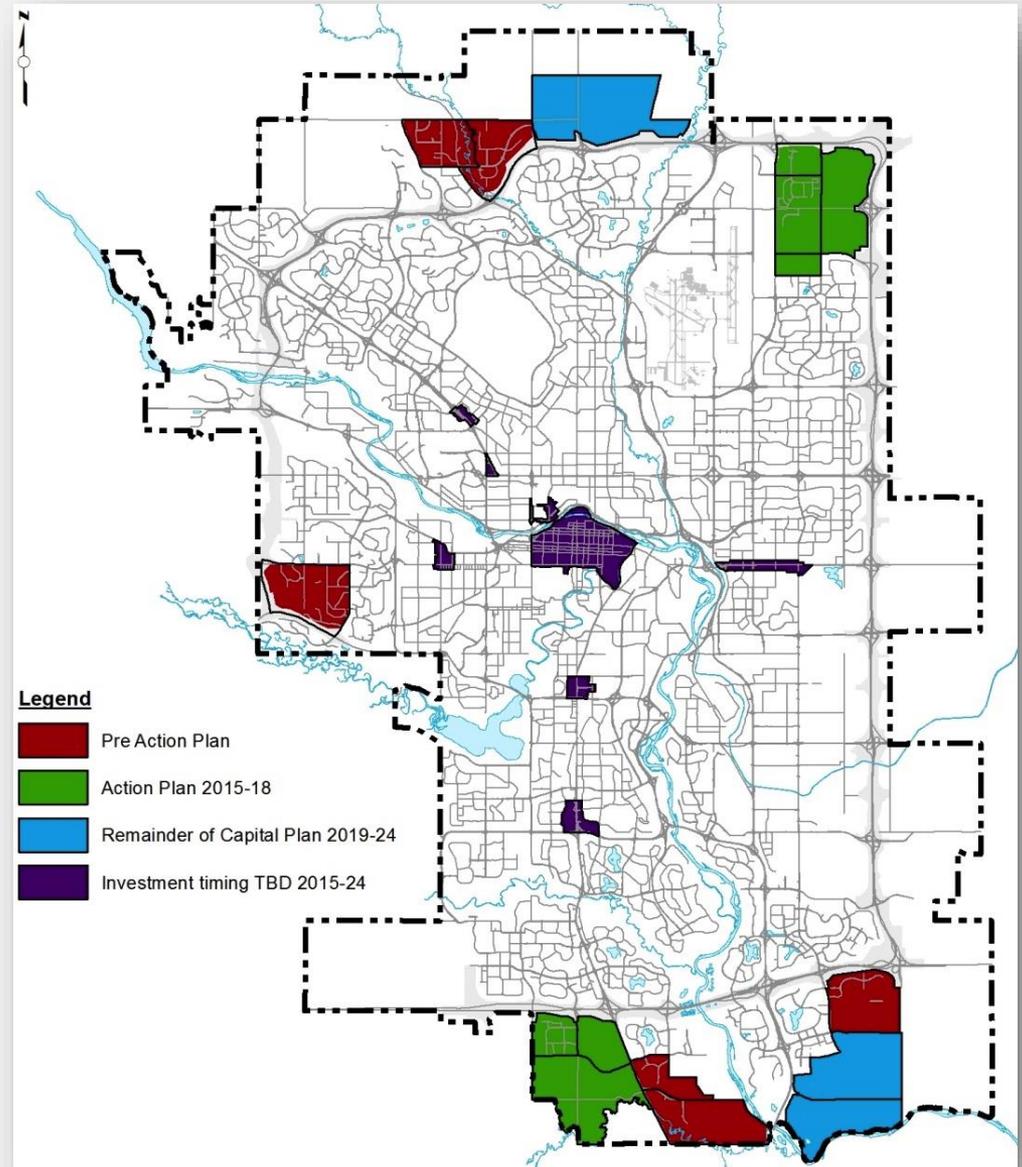
Prioritizing Criteria

- Criteria & Weightings
 - Capacity of Existing Infrastructure – 15%
 - City-Funded Costs – 15%
 - Access to Transit – 15%
 - Readiness to Proceed – 15%
 - Community Services – 10%
 - Land Supply – 10%
 - Employment Opportunities – 10%
 - Contiguous Growth / Ecological Goods & Services – 5%
 - Innovation – 5%

Sequencing

- Impacts

Servicing Timeline
In progress
2015-2018
2019–2024
TBD (2015-2024)



The Prioritized List - DEVELOPING

Requires Planning Policy	Developing Growth Area	GROWTH INDEX		Criteria Weighting								
		Score out of 5	%	15%	15%	15%	15%	10%	10%	10%	5%	5%
				Access to Transit	Capacity of Existing Infrastructure	City-Funded Costs	Readiness to Proceed	Employment Opportunities	Community Services in Place	Land Supply	Innovation	Contiguous Growth
				Scoring (out of 5) for each Criteria								
	Skyview Ranch	3.54	71%	3.31	3.70	3.73	4.50	3.50	2.26	5.00	0.00	3.50
	Redstone	3.30	66%	2.52	3.10	3.06	4.50	5.00	1.51	5.00	0.00	3.50
	Mahogany	3.27	65%	1.84	3.65	4.26	5.00	2.50	1.62	5.00	0.00	3.00
	Sage Hill	3.19	64%	3.09	2.85	3.45	4.50	2.50	1.80	5.00	0.00	3.50
	Evanston	3.16	63%	1.55	3.40	3.30	5.00	3.00	2.23	5.00	0.00	3.00
✓	Northeast Regional Policy Plan ASP: A	3.14	63%	3.07	2.10	3.50	4.50	3.00	2.17	4.20	1.00	3.50
	Walden	3.12	62%	1.00	4.20	3.03	4.50	2.50	2.37	5.00	1.00	3.50
	Keystone Hills Area Structure Plan	3.10	62%	2.80	0.75	4.02	5.00	2.50	2.42	5.00	1.00	3.50
✓	Southeast Planning Area Regional Policy Plan Cell C	3.06	61%	2.56	2.70	2.97	4.50	3.00	2.18	4.60	0.00	3.50
	Legacy	3.03	61%	1.00	3.95	3.62	4.50	2.50	1.43	5.00	0.00	3.50
	East Silverado	2.97	59%	2.14	2.20	3.69	3.50	3.00	2.96	5.00	0.00	3.00
✓	Belvedere Area Structure Plan	2.96	59%	2.19	1.00	4.40	3.75	2.50	1.90	4.20	4.00	4.00

The Prioritized List - DEVELOPED

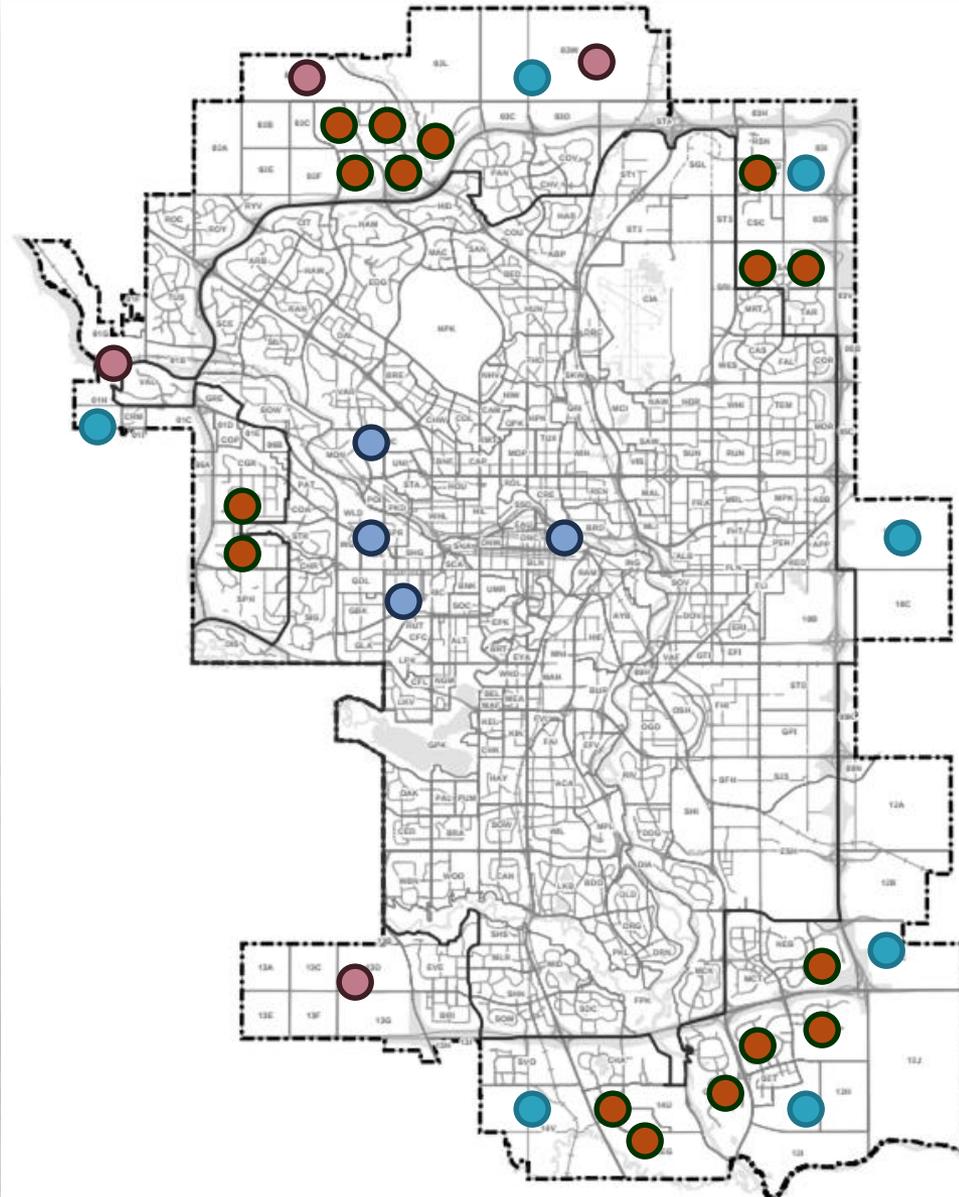
Requires Planning Policy	Developed Growth Area	GROWTH INDEX		Criteria Weighting								
		Score out of 5	%	15%	15%	15%	15%	10%	10%	10%	5%	5%
				Access to Transit	Capacity of Existing Infrastructure	City-Funded Costs	Readiness to Proceed	Employment Opportunities	Community Services in Place	Land Supply	Innovation	Contiguous Growth
				Scoring (out of 5) for each Criteria								
	Chinook Station Area Plan	3.97	79%	4.10	4.35	4.17	4.00	5.00	3.04	3.00	3.00	4.50
	16 Avenue North Urban Corridor Area Redevelopment Plan	3.67	73%	4.50	4.60	4.64	2.00	4.50	3.34	3.00	0.00	4.50
	Brentwood Station Area Redevelopment Plan	3.64	73%	4.24	4.10	3.13	3.50	5.00	3.72	3.00	0.00	4.50
	Hillhurst/Sunnyside Area Redevelopment Plan	3.59	72%	3.70	5.00	3.84	2.50	4.50	3.58	3.00	0.00	4.50
	Southeast 17 Corridor Land Use and Urban Design Concept	3.41	68%	3.97	3.90	4.32	2.00	4.50	3.08	3.00	0.00	4.50
✓	Anderson Station Area	3.38	68%	4.19	4.60	4.05	0.50	5.00	3.52	3.00	0.00	4.50
	Westbrook Village Area Redevelopment Plan	3.38	68%	3.74	3.00	3.63	3.50	4.00	3.72	3.00	0.00	4.50
	Banff Trail Area Redevelopment Plan	3.37	67%	3.82	4.10	3.25	2.00	5.00	3.72	3.00	0.00	4.50
✓	Fish Creek/Lacombe Station Area	3.22	64%	3.27	4.35	3.51	1.25	5.00	3.37	3.00	0.00	4.50
✓	SSCAP - Stadium Shopping Centre	3.02	60%	2.99	4.10	2.46	1.50	5.00	3.64	3.00	0.00	4.00

The Prioritized List - INDUSTRIAL

Requires Planning Policy	Industrial Growth Area	GROWTH INDEX		Criteria Weighting									
		Score out of 5	%	15%	15%	15%	15%	10%	10%	10%	5%	5%	
				Access to Transit	Capacity of Existing Infrastructure	City-Funded Costs	Readiness to Proceed	Employment Opportunities	Community Services in Place	Land Supply	Innovation	Contiguous Growth	
				Scoring (out of 5) for each Criteria									
		Aurora Business Park Area Structure Plan	3.27	65%	2.97	4.60	3.07	3.00	4.00	2.74	3.00	0.00	5.00
		Stoney Industrial Area Structure Plan (Revised)	2.72	54%	1.69	3.40	2.28	4.00	3.00	1.89	3.00	0.00	4.50
✓		North Regional Context Study Cell H	2.58	52%	1.50	1.50	4.24	2.50	3.50	0.89	4.84	2.00	2.00
✓		North Regional Context Study Cell B	2.44	49%	1.50	1.40	2.07	3.50	2.50	1.35	3.00	0.00	4.50
		Southeast 68 Street Industrial Area Structure Plan	2.18	44%	1.50	1.40	2.07	3.50	2.50	1.35	3.00	0.00	4.50
		Shepard Industrial Area Structure Plan	2.13	43%	1.00	0.95	2.84	3.50	2.50	1.10	3.00	0.00	4.50

Areas Under Development

- Developing Community with >500 units remaining
- Recently Completed ASP
- Initiated ASP
- Intensification area with >500 units remaining



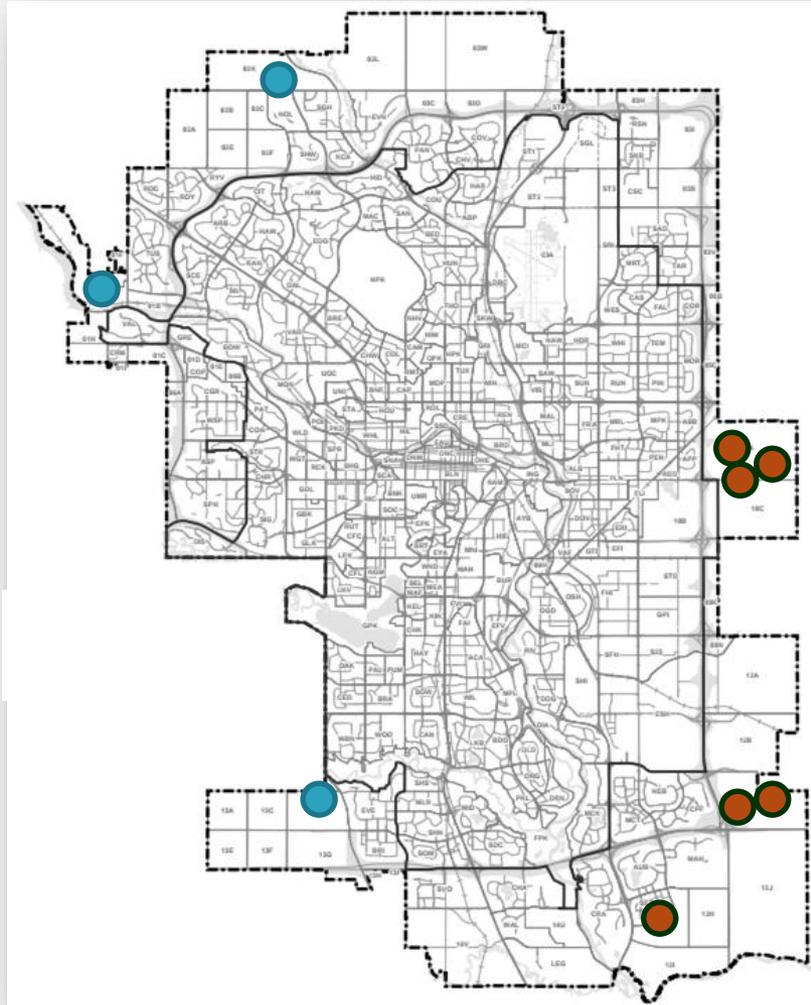
Questions Being Asked



Approved ASP
Exploring ways to
remove Overlay



Underway ASP
Exploring ways to
avoid Overlay at
approval





What have we learned?

- Sequencing needs to take into account how the development industry works.
- How developers bring land to the market.
- Some of our assumptions did not understand the consequences.
- It is a complex balance of meeting city policy and fiscal goals while working in partnership with industry.
- Reviewing how to modify the process.



What Are Offsite Levies?

- Population growth creates the need for infrastructure and other services.
- Developers pay for the cost of the local infrastructure needed to service their development.
- Offsite impacts (e.g., water and sanitary systems, arterial roads and intersections) are funded through offsite levy charges



Current Offsite Levy Charges

- Provincial Legislation enables these charges but is limited
- Developers currently pay \$340,000 ha
- Within the legislation funds go to offsite:
 - Water servicing
 - Sanitary servicing
 - Major roads
 - Stormwater Facilities



Current Offsite Levy Charges

- Outside of the legislation developers also contribute to:
 - Fire halls
 - Recreation Centres
 - Libraries
 - Police stations
 - Buses



New Offsite Levy Bylaw Underway

- Developed process framework
- Defined the goal, deliverables and timelines
- Established internal/external (industry) working groups
- Drafted an engagement plan
- Working on the Guiding Principles and defining the scope



Goal and Deliverables

Goal: To develop a funding strategy for growth related infrastructure.

Key Deliverables:

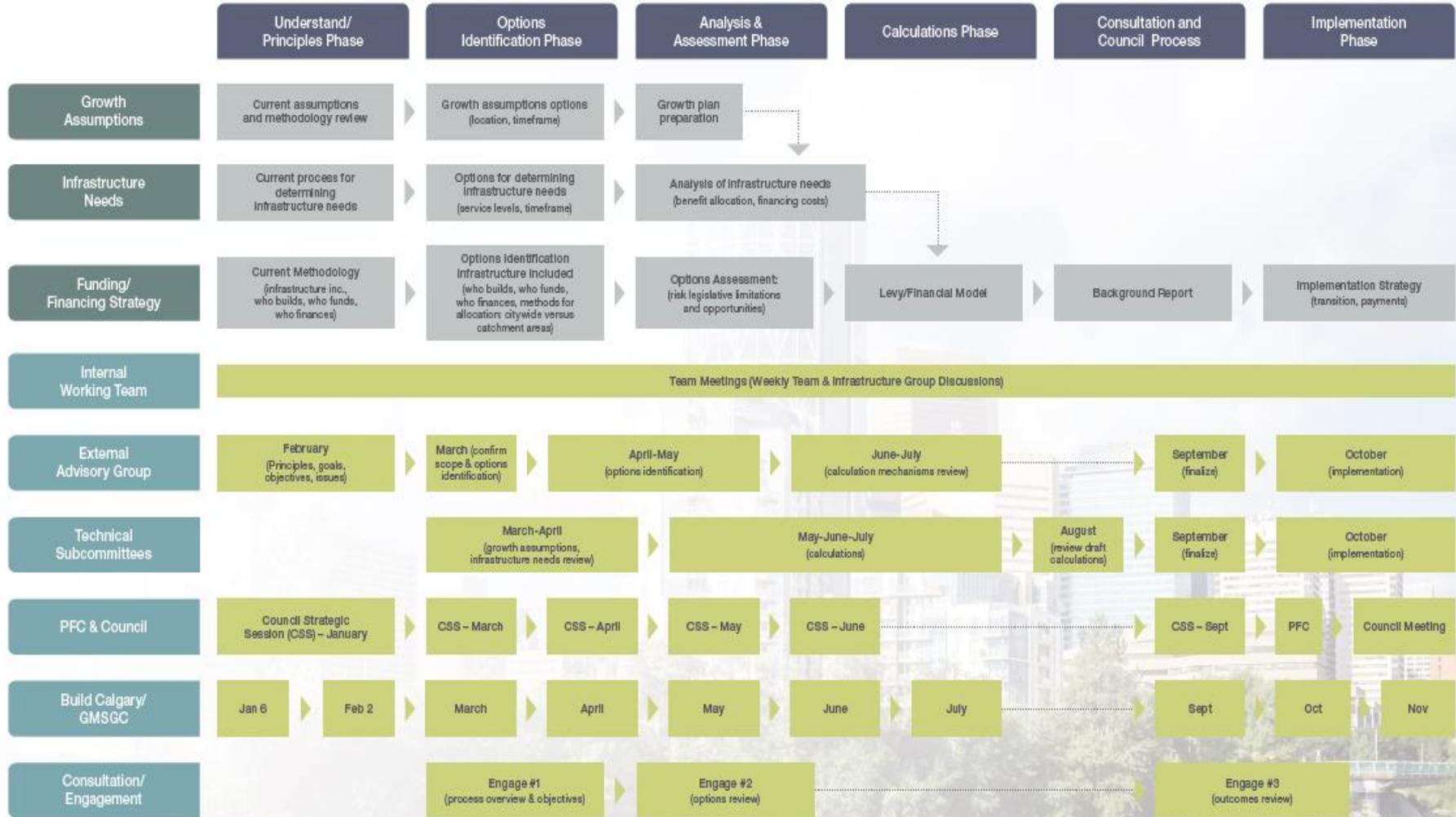
- Draft Off-Site Levy Bylaw
- Background Report
- Proposed legislative changes
- Process Improvements
- Implementation Plan



What Will be Different?

- There were lessons learned from the previous process
- Improving this process by increasing:
 - Collaboration
 - Engagement
 - Transparency
 - Accountability

Build Calgary | Off-Site Levy Bylaw Process Framework/Work Plan



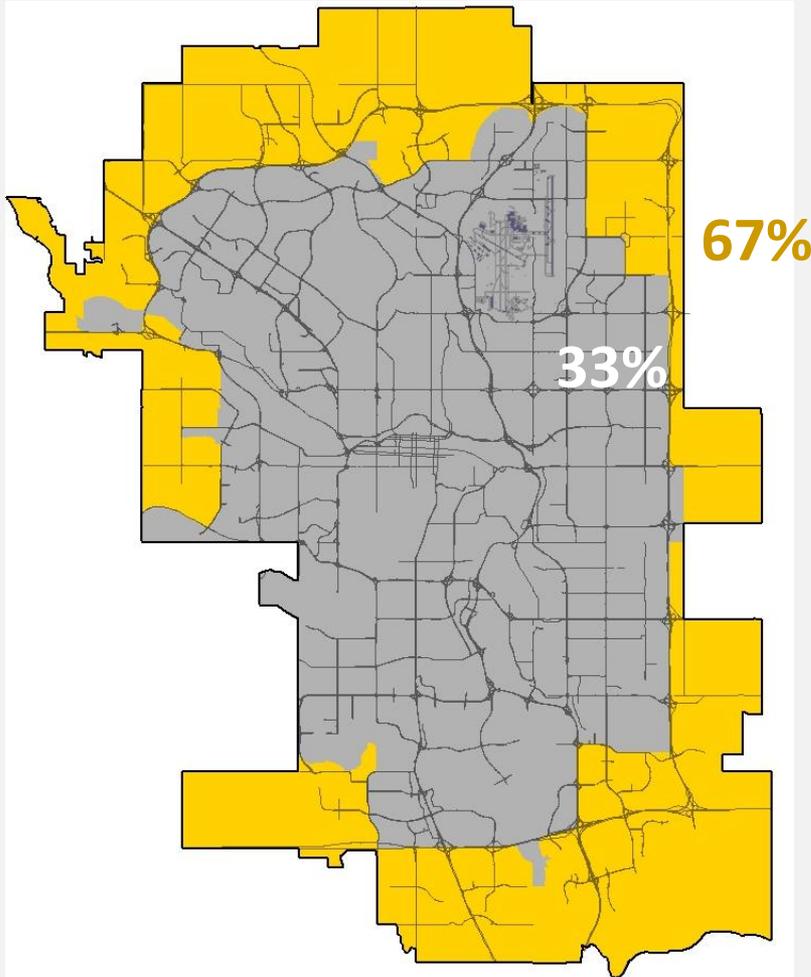


Land Supply Complexity

- Land Supply is guided by the same policies City Wide but the context and challenges are different in Greenfield and Developed Areas and therefore require different solutions.
- Beginning work on a more explicit strategy for developed areas.



Lots of Projected Growth but Changing Pattern



**Growth 2006-2039
+800,000**

**Developing Areas
+536,000**

**Developed Areas
+264,000**



Encouraging Growth In Existing Communities

- If we are trying to achieve this goal what do we need to do to encourage the shifting absorption trend?
- How do we break down the barriers?
- What tools are needed?



The Barriers Are Different

- Greenfield
 - Growth Management process (but to achieve our policy direction)
 - Lack of capital funding for major infrastructure
- Developed Areas
 - Uncertainty about local improvements needed
 - Lack of opportunity to share the costs
 - Community opposition to change



Why are the Barriers Different?

- The most significant barrier to land supply is the local infrastructure impacts.
- Unforeseen and often cost prohibitive.
- Charging offsite levies alone will not solve this issue.
- Other financial tools are needed.
- Incentive programs are often part of the solution because you want to encourage this growth.



Existing Communities Land Supply

- Redevelopment potential of 280,000 units based on *existing* land use designations
- Realistically, 52,000 units based on vacant and underutilized parcels
- **2013:** 2,900 units created
- **2014:** 3,500 units created



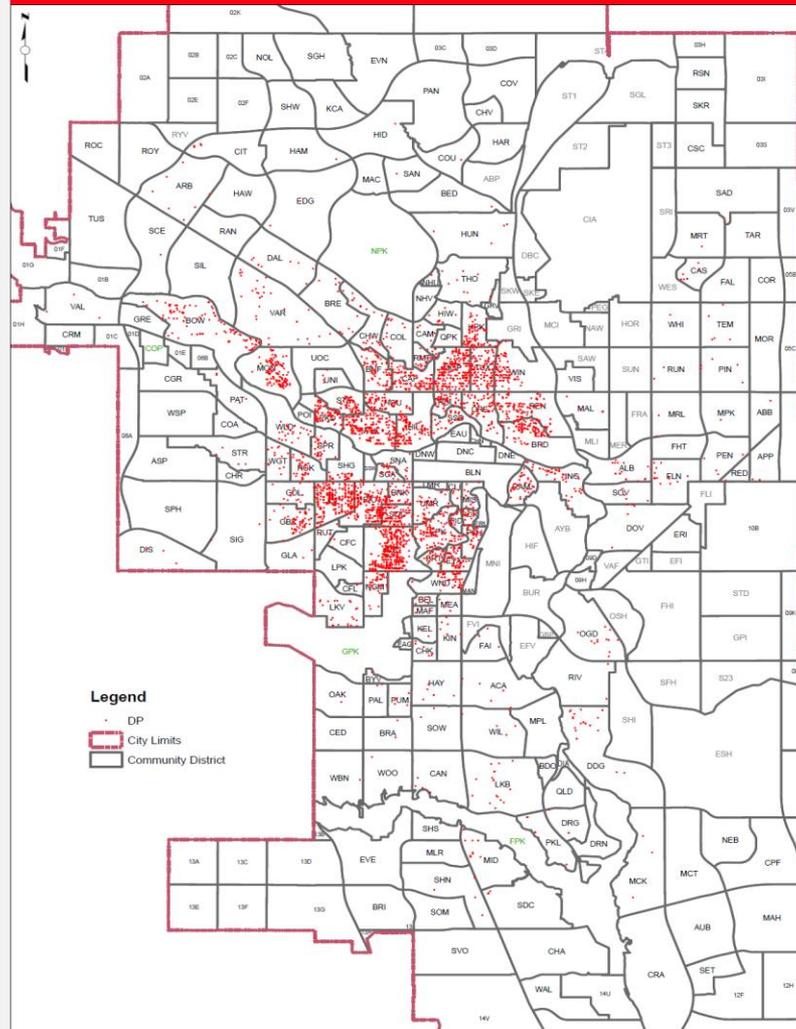
Land Supply Gap Analysis

- What tools are we using to plan for land supply?
- How much existing serviced land supply is there?
- Will it meet forecasted demand?
- What tools are we using to fund growth related infrastructure?
- Are these tools working?
- What gaps are there in our land supply strategies for each area?
- What solutions do we need to explore?



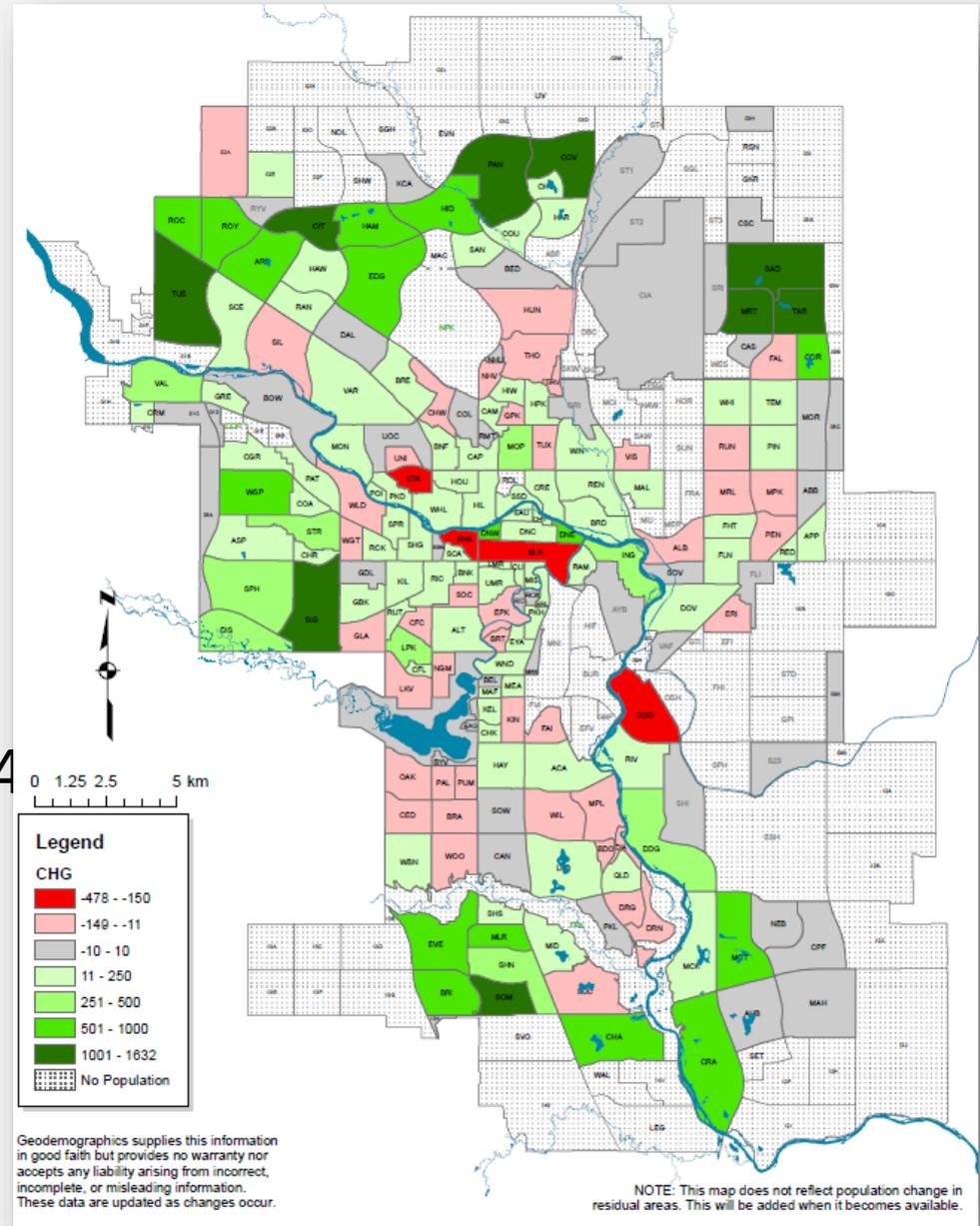
Development Permit Five Year Trend

The City of Calgary DP's Growth Management



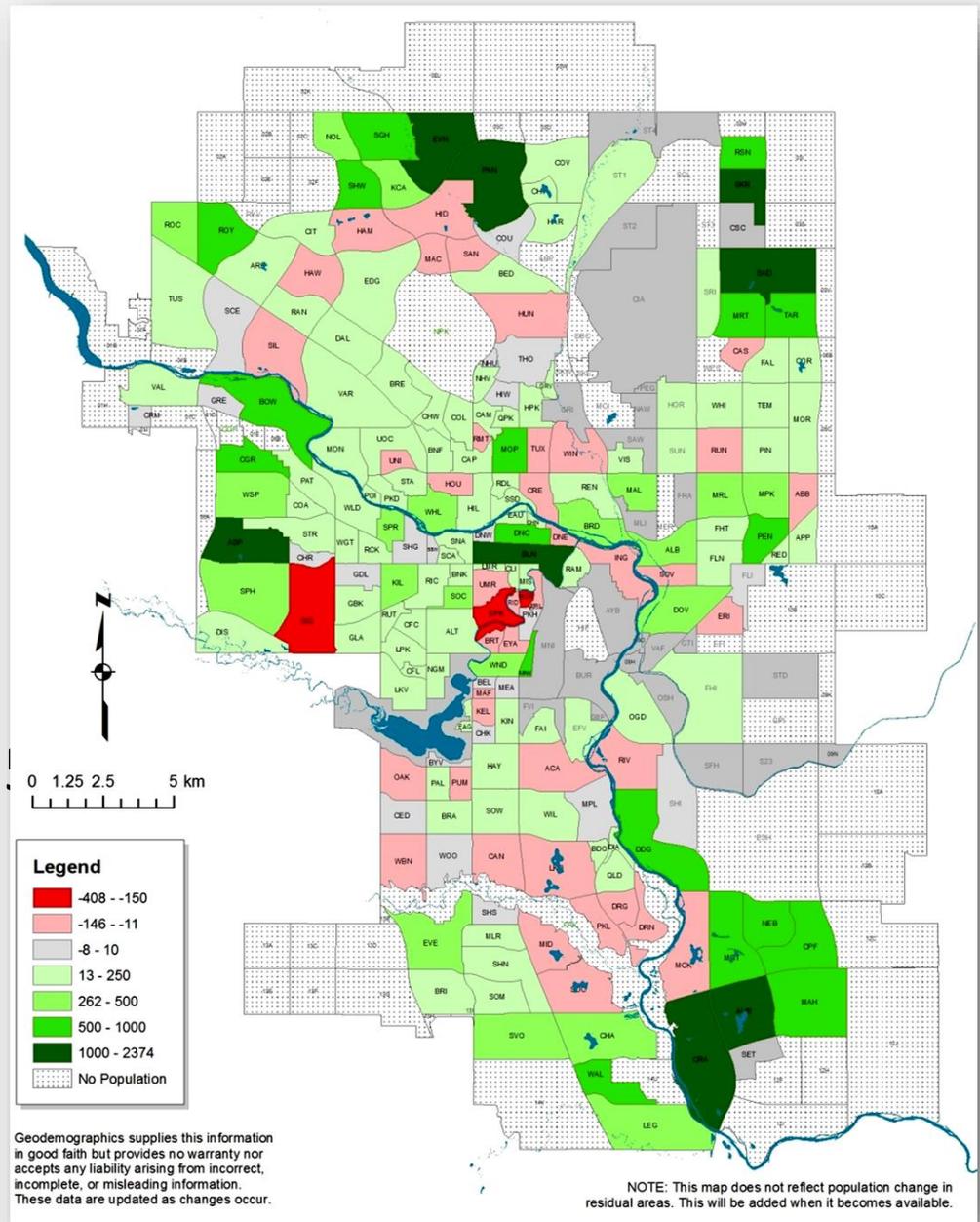
Population Growth by Community, 2001-2002

Citywide +28,410
 Greenfield +24,363
 Developed +2,410

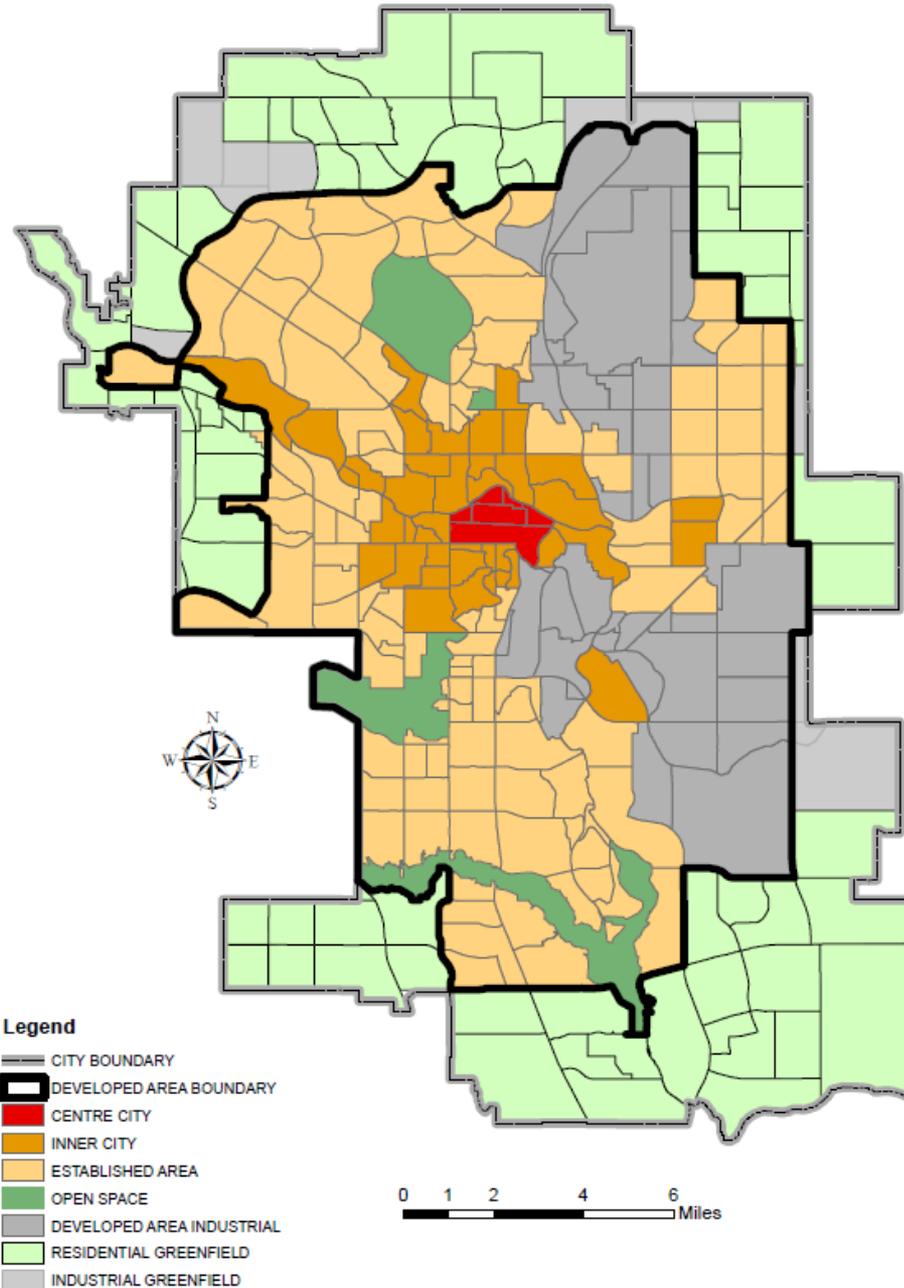


Population Growth by Community, 2013-2014

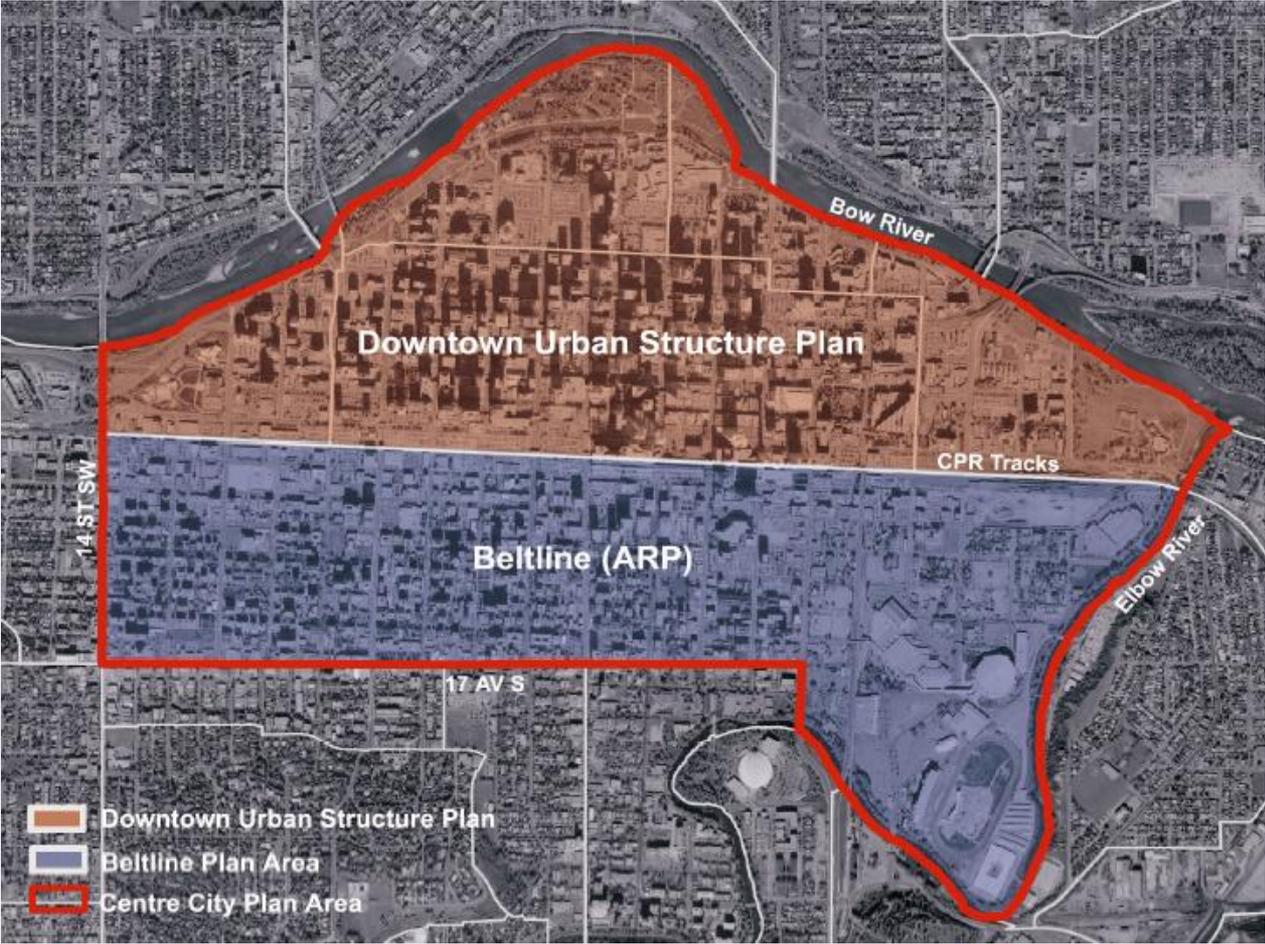
Citywide +38,000
 Greenfield +22,281
 Developed +16,227



Divided the City into four areas to analyze population change



Centre City Levy Boundary Area





Centre City Levies

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



Key Deliverables of New Strategy

- Calculation of Off-Site levy amounts for Developed Areas
- Assessment of the Centre City program
- Identification of key areas where capacity and demand for redevelopment exists
- Better coordination of all redevelopment programs
- Identification and evaluation of other redevelopment funding options/incentive programs
- Research on redevelopment funding best practices



Conclusion

- A well managed growth system can:
 - Be scalable to different levels of growth
 - Be fiscally responsible
 - Support achievement the vision in your planning policy
 - Provide certainty to the development industry and for infrastructure planning
 - Use incentives to encourage certain kinds of development



Conclusion

- Growth strategies are created to achieve the optimal equilibrium between economic outcomes, fiscal responsibility and building a great City.
- How do we work together to achieve the right outcomes for our citizens?
- Requires a comprehensive strategic approach.
- And collaboration both internally and externally.



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City's land-use policy hampers affordability 0

Property taxes will subsidize Calgary suburbs for decades, says city CEO

Calgary's debt to swell beyond \$4 billion in 2015

Calgary fire chief retiring with warning about city's growth

“There’s less and less subdivisions for people to choose, and these builders won’t have any inventory,” said Westman, who thinks the city wants to “social engineer” more urban density.

Expectation of limited suburban development raises concern over proposed framework for growth 14



Questions?

