



Information Kit on the New Process for Growth Applications

Updated August 1, 2023

A redesigned approach to evaluating new community growth in Calgary has been in development since fall 2022, and Growth Applications are being accepted as of August 2023. Previously known under the terms “business case” and “Growth Management Overlay”, the updated evaluation uses the term “Growth Application” to describe the process by which The City reviews and makes decisions on new growth and associated investments.

The redesigned process is nimbler and more responsive to both applicant and City timelines, thanks to a continuous acceptance window and more frequent Council decisions. Improved information availability, and more focused and empirical evaluation criteria, make the process more navigable and transparent while protecting The City’s city building and financial responsibilities. Council decision making is supported by fully integrating growth-related investment decisions into annual Service Plans and Budgets for consideration alongside other financial decisions.

City Council voted unanimously to implement the redesigned approach to Growth Applications at the July 25, 2023 meeting, and Growth Applications are being accepted as of August 1, 2023.

This information kit summarizes the new process and the anticipated changes that will come with it in the following sections:

1. Redesigned Application Process
2. Anticipated Timelines and Connection to Budget Process
3. Redesigned Evaluation Criteria
4. Frequently Asked Questions

Questions or feedback? Please email us at NewCommunity@calgary.ca

1. Redesigned Application Process

The two most significant high-level changes with the redesign are:

- 1. Responsiveness** through improved information access and the ability to submit Growth Applications at any time; and
- 2. Evaluation and process clarity** through enhanced criteria and reporting, and the integration of growth-related investments into annual Service Plans and Budgets beginning in November 2024.

City Council continues to be the final decision maker.

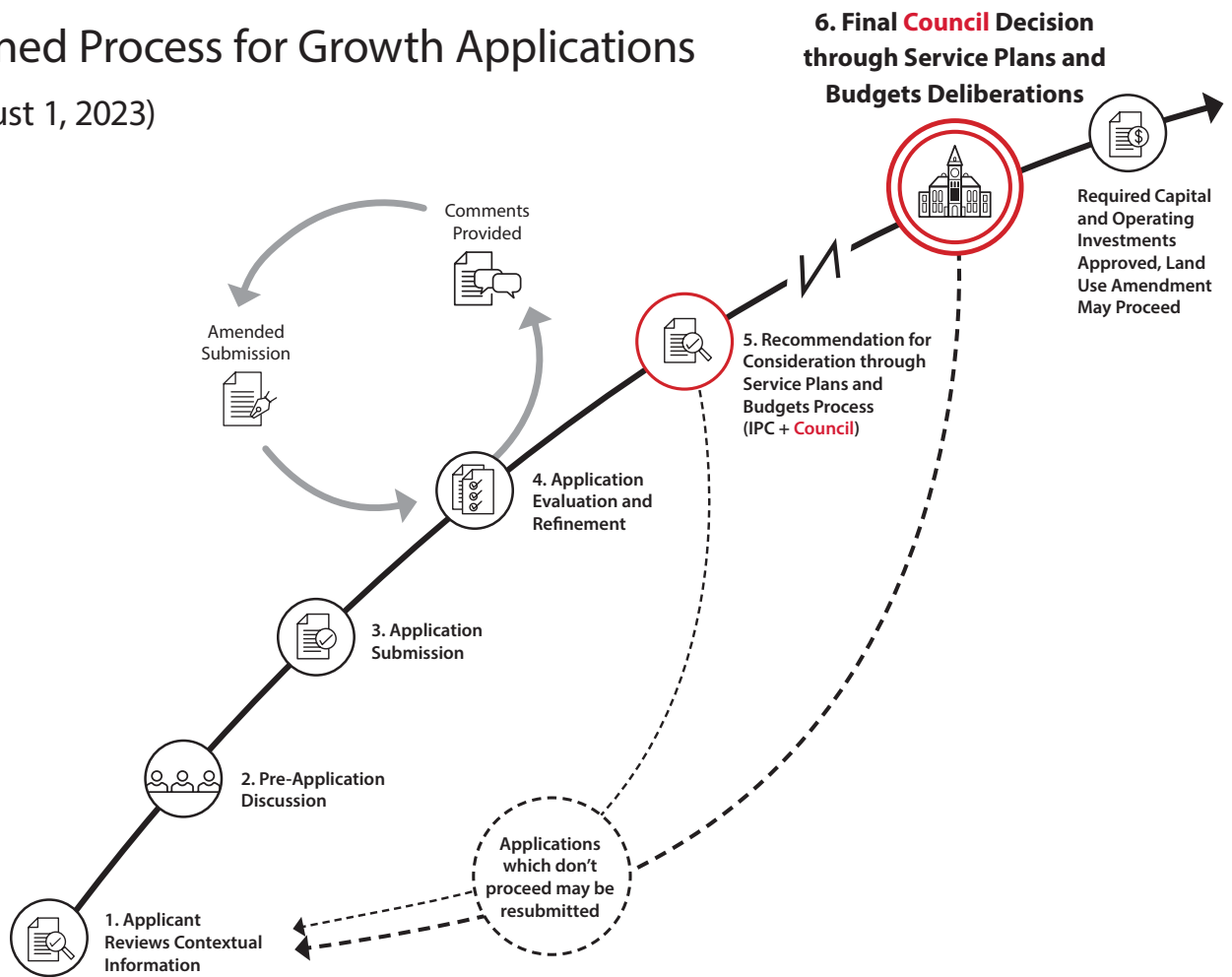
Summary of changes with the Growth Application process

(as of August 1, 2023)







Growth Management Overlay Process	Anticipated New Process for Growth Applications
Business Cases accepted at pre-determined times only	Growth Applications accepted any time (after August 1, 2023)
No fee required (tax supported)	Application fee is required, in alignment with other development processes
Evaluation criteria included subjective elements	Evaluation criteria are more precise and empirical
Evaluation criteria broader than topics related to development timing	Evaluation criteria are streamlined to focus on topics related to development timing
Council every two years as part of Citywide Growth Strategy report	Decisions made by Council through Service Plans and Budgets deliberations every November, beginning in 2024 (see Anticipated Timelines and Connection to Service Plans and Budgets)
Technical information used by Administration during evaluation of business case	Contextual information available to proponents up-front, and before submission

Redesigned Process for Growth Applications

(as of August 1, 2023)



The redesigned process includes the following steps:

-  **1. Applicant Reviews Contextual Information:** Work is underway to increase online access to information relevant to Growth Application submissions, such as servicing, land supply, and infrastructure status information.
-  **2. Pre-Application Discussion:** Discuss details of a potential Growth Application, receive additional contextual information about the application area, and learn more about the process.
-  **3. Application Submission:** Applicants submit their Growth Application. A fee is applied.
-  **4. Application Evaluation and Refinement:** Growth Applications are evaluated against the evaluation criteria. Comments are provided, and applications can be amended as required.
-  **5. Recommendation for Consideration through Service Plans and Budgets Process (IPC + Council):** Decision on whether investments associated with a Growth Application merit further consideration through the Service Plans and Budgets process.
-  **6. Final Council Decision through Service Plans and Budgets:** Council will make the final decision on investments as part of Service Plans and Budgets deliberations each November. If investments required for a Growth Application are approved, it proceeds to Land Use Amendment and the rest of the development process.

2. Anticipated Timelines and Connection to Service Plans and Budgets

Process Step	Duration and Key Dates
1. Applicant Reviews Contextual Information	Information available through information portal at any time after August 1, 2023 - continuous improvements are being made to available information
2. Pre-application Discussion <i>(currently no fee)</i>	Accepted any time after August 1, 2023 - can be combined with Outline Plan pre-application meeting
3. Application Submission <i>(fee required)</i>	Accepted any time after August 1, 2023 - continuous intake window
4. Application Evaluation and Refinement	Variable depending on application complexity as well as number of rounds of comments & amended submissions
5. Recommendation for Consideration through Service Plans and Budgets process (IPC + Council)	Anticipated that a recommendation from Infrastructure and Planning Committee will be needed by May for a Growth Application to be considered in Service Plans and Budgets that same year
6. Final Council Decision through Service Plans and Budgets	Final decisions on capital and operating investments are made by Council during Service Plans and Budgets deliberations every November, beginning in 2024

- A recommendation for further consideration through the Service Plans and Budgets process is expected to be needed from Infrastructure and Planning Committee by May for relevant investments to be considered in Service Plans and Budgets deliberations the same November
- Applications recommended by Infrastructure and Planning Committee after May, and which also receive Council direction for further consideration, will enter the following year's Service Plans and Budgets process
- Public engagement on Service Plans and Budgets typically occurs in September
- Growth Applications whose required capital and operating investments are approved by Council in November proceed to Land Use Amendment and the rest of the development process
- Due to expected process timelines, the earliest that Growth Applications submitted after August 1, 2023 can be considered by Council in Service Plans and Budgets deliberation is November 2024

3. Growth Application Evaluation Criteria

Overview

These criteria are used to evaluate whether a Growth Application represents strategic growth in alignment with The City's long-term vision as articulated in the Municipal Development Plan.

The evaluation process continues to be focused on three well-established growth planning factors:

1. Municipal Development Plan (MDP) and Calgary Transportation Plan (CTP) Alignment;
2. Market Demand; and
3. Financial Impact.

These growth planning factors, and related criteria, align to MDP and CTP goals and form the basis of how Administration considers whether a Growth Application is in the strategic interest of the City of Calgary and its residents and businesses.

It has been determined that important issues of climate change, environmental conservation, and social resilience are best addressed throughout the Development Approvals Continuum and Service Plans and Budgets through clear policy, regulation, standards, and intentional business practices and service levels. The best venues to achieve related objectives broadly are policy approval, planning application review, and the prioritization of public funds through budgets.

How these criteria are used:

- 1. Qualifying criteria** are used throughout the Growth Application process in determining the impact each Growth Application has on the overall City financial position, operating and capital budget capacity, and timing risk level in the context of new community growth.
- 2. Contextual criteria** are used specifically to inform the Service Plans and Budgets process, and include consideration of ongoing development activity, previously approved capital investment commitments, Council priorities, citywide growth and land supply, and available financial resources to support new citywide growth.

Growth Application Evaluation Criteria

MDP Goal	Criterion	Guidance to Applicants & Interpretation	Qualifying or Contextual
Growth Factor: MDP/CTP Alignment			
Compact City	1. Is the Growth Application area contiguous with existing development?	<p>The City will assess the Growth Application's location in relation to developed and developing communities, or an area with existing urban land use districts (i.e., not S-FUD) in place.</p> <p>Adjacency to existing development is considered favourable, followed by areas covered by development agreements, then followed by areas with urban land use.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Compact City	2. Is the Growth Application area immediately serviceable by existing or funded infrastructure to be delivered in the current business cycle? a. Utilities (Water/ Sanitary/ Stormwater) b. Mobility c. Emergency Services	<p>Applicants should provide necessary GIS file(s) for the Growth Application area with the preliminary road, utility and other relevant networks mapped.</p> <p>The ability for the Growth Application area to connect to, or benefit from, developer-sized or City-sized servicing already existing or funded in the current business cycle is considered favourable.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Great Communities	3. Does the Growth Application propose to complete a community with previous approvals?	<p>The City will assess whether the Growth Application is completing a previously approved new community. Community boundaries are typically defined in the applicable Area Structure Plan.</p> <p>It is favourable for a Growth Application to complete an actively developing community.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Great Communities	4. How close is the Growth Application area to existing activity centres and employment areas?	<p>The City will calculate the travel distances (by the street and pathway network) between the Growth Application's location and nearby existing Major and/or Community Activity Centres, Urban Main Streets, and employment areas.</p> <p>It is favourable for a Growth Application to be within 3.0km of the nearest major activity centre, urban main street or employment area. A Growth Application should bring people closer to activity centres and employment areas.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee
Great Communities	5. Does the Growth Application include new Major and/or Community Activity Centres, Urban Main Streets, and/or employment areas within the Growth Application?	<p>Applicants should indicate the locations and sizes (hectares, homes, non-residential gross floor area) of any planned new Major, Community Activity Centres, Urban Main Streets or employment areas.</p> <p>This information should be provided by the applicant via the Development Template along with supporting comments.</p> <p>It is favourable for a Growth Application to contribute new employment areas, including activity centres, urban Main Streets, and/or industrial areas.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee.

MDP Goal	Criterion	Guidance to Applicants & Interpretation	Qualifying or Contextual
Great Communities	6. How close is the Growth Application to nearby existing and/or funded civic and public facilities (e.g., public schools, recreation centres and libraries)?	<p>The City will calculate the distance (by the street and pathway network) between the Growth Application and nearby existing and/or funded City facilities (public schools, recreation centres, and libraries). A Growth Application should bring people and jobs closer to existing and/or funded civic and public facilities and services.</p> <p>It is favourable for a Growth Application to be within 3.0km of existing and/or funded schools and 5.0km of existing recreation centres and libraries.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee.
Connecting the City	7. How close is the Growth Application to the nearest existing and/or funded transit hub, LRT station, and/or frequent transit service?	<p>The City will calculate the distance (by the street and pathway network) between the proposal and the nearest transit hub, LRT station, and/or frequent transit service. Applicants should highlight potential missing links delivered by the Growth Application for evaluation by The City. A Growth Application should be close to a transit hub or LRT station and/or close a major gap in the existing or planned transit network.</p> <p>It is favourable for a Growth Applications to be within 5.0km of an existing and/or funded transit hub or LRT station.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee.
Connecting the City	8. Does the proposal provide a missing link that would benefit the citywide 5A pathway/ bikeway network in the MDP/CTP at a sector level?	<p>Applicants should highlight planned pathway/bikeway connections within the Growth Application area and to existing and/or planned citywide networks. The City will evaluate any identified connections in those citywide networks with network-level benefit.</p> <p>It is favourable for a Growth Application to integrate and/or provide a missing link in the existing or planned 5A and pathway network.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee.
Connecting the City	9. How does the Growth Application area integrate with the citywide networks of open space and naturally vegetated lands in the MDP/CTP?	<p>Applicants should indicate if the Growth Application provides a missing link or major network benefit in the open and natural space networks (e.g., additions, connections, contributions of sites with exceptional recreation, habitat/biodiversity, and climate resilience). The City will evaluate any identified connections in those citywide networks.</p> <p>It is favourable for a Growth Application to integrate and/or provide a major network benefit in the open space and natural space networks.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee.

MDP Goal	Criterion	Guidance to Applicants & Interpretation	Qualifying or Contextual
Growth Factor: Market Demand			
Managing Growth & Change	10. What is the business plan for development approval starting from Outline Plan and Land Use to Subdivision Phasing?	<p>Applicants should include the estimated timeline of planning application submissions and approvals including land use and outline plan, stripping and grading, and subdivision. This information should include any subdivision and phasing plan with expected year of development to start for each phase to demonstrate readiness to proceed and the generation of returns.</p> <p>The City will use the timelines and status information provided in Criteria 10 and 12 to understand the expected pace of development and alignment to funded capital infrastructure timelines.</p> <p>It is favourable for Applicants to demonstrate a credible timeline to begin development in the near term, preferably within two years of funding of enabling capital infrastructure, by providing information on their anticipated business plan and phasing strategy.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	11. Are there considerations involving non-municipally controlled third parties that could delay timeframes or developability in general?	<p>Applicants should identify any considerations that may impact the timing of development outside their control and what mitigations they are applying to address risks.</p> <p>The City will use the information to identify situations where third party considerations may delay development timeframes.</p> <p>It is favourable for there to be no identified considerations that could delay development timeframes.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	12. What technical studies are complete, in progress and still outstanding in support of development?	<p>Applicants should provide the status (completed, in progress, not yet started) and expected timeline of all technical studies such as Master Drainage Plan, Transportation Impact Assessment, etc.</p> <p>The City will use the timelines and status information provided in Criteria 10 and 12 to understand the expected pace of development and alignment to funded capital infrastructure timelines.</p> <p>It is favourable for technical studies to be completed and agreed upon by the Applicant and Administration, as it can reduce timelines to development.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.

MDP Goal	Criterion	Guidance to Applicants & Interpretation	Qualifying or Contextual
Managing Growth & Change	13. How does the Growth Application area benefit citywide serviced residential or non-residential growth capacity?	<p>Applicants should provide information on proposed unit and development types, by product type (single/semi; multi-residential units; non-residential gross floor area) via the Development Template. The City will consider if the citywide level of serviced land supply is low (<3 years), in target range (3-5 years), above target (5-7 years), or high (>7 years). The City will also consider how the Growth Application may improve near term market competition. Market information from The City and third-party sources will be used to assess the impacts on citywide supply/demand.</p> <p>Lower levels of supply are associated with lower absorption risk, and lower servicing efficiency risk. However, lower levels of supply present higher risks to affordability and choice.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	14. How does the Growth Application area benefit sector/local serviced residential or non-residential growth capacity?	<p>Applicants should provide information on proposed unit and development types, by product type (single/semi; multi-residential units; non-residential gross floor area) via the Development Template. The City will consider if the sectoral level of serviced land supply is low (<3 years), in target range (3-5 years), above target (5-7 years), or high (>7 years). The City will also consider how the Growth Application may improve near-term market competition. Market information from The City and third-party sources will be used to assess the impacts on sectoral supply/demand.</p> <p>Lower levels of supply are associated with lower absorption risk, and lower servicing efficiency risk. However, lower levels of supply present higher risks to affordability and choice.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Growth Factor: Financial Impact			
Managing Growth & Change*	15. Does the Growth Application align with the Financial Strategies as per The City of Calgary 2021-2032 Long Range Financial Plan (Section 4)?	<p>Using the Development Template provided by the Applicants and other business plan information provided, The City will evaluate business case proposal for alignment with the 2021-2032 Long Range Financial Plan's Financial Strategies, Section 4.</p> <p>Section 4 of The City of Calgary 2021-2032 Long Range Financial Plan sets out the Financial Goals and Strategies, which includes various tactics, financial strategies, financial goals, and ultimately the outcome of a well-run city, delivering excellent services and infrastructure for Citizens.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.

MDP Goal	Criterion	Guidance to Applicants & Interpretation	Qualifying or Contextual
Managing Growth & Change	16. What are the City of Calgary's estimated incremental direct and indirect operating costs for the Growth Application area over the lifetime of the development and on an annual basis?	<p>The City will use its new community operating cost model to estimate incremental direct and indirect operating costs expected annually and over the lifetime of the development based on information provided by the applicant in the Development Template.</p> <p>The City will assess how the Growth Application area may impact operating cost efficiency. Applications will be considered favourable if it aligns with The City's existing priorities in its Service Plans and Budgets, and if the estimated average annual City portion of the property tax revenue for the Growth Application area is sufficient to cover the estimated incremental direct and indirect operating costs for the Growth Application area over the lifetime of the development.</p> <p>Along with other financial impact criteria, these results will be used to assess the level of financial risk the Growth Application places on The City. Results will be shared with Applicants.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	17. What is the estimated average annual City portion of the property tax revenue for the Growth Application area over the lifetime of the development?	<p>Property tax revenue estimates will be calculated using average assessed values and associated property tax rates from the most recent year available. Information provided by the applicant in the Development Template will be used to calculate the average assessed values, based on property type and assessment data available to the City.</p> <p>The citywide level of approved land supply will be incorporated in the assessment of the level of financial risk the Growth Application places on The City. Results will be shared with Applicants.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	18. What capital investment is required to service the Growth Application area? Examples include, but are not limited to, transportation, water, sanitary, storm water network; emergency services; recreation centres, libraries etc.	<p>Based on information provided by the applicant, The City will determine what capital infrastructure is required to be funded to service the land for the initial development build-out as well as the lifetime of the community. The City will also consider current funding status for infrastructure supporting the Growth Application area within the current budget cycle, as well as over the lifetime of the development.</p> <p>Applications that make use of existing or funded infrastructure will be considered favourable. Applications that require approved but currently unfunded infrastructure will also be considered favorable yet are noted as adding time pressure to the funding need. Applications that require new, unfunded infrastructure will require consideration of The City's current capital infrastructure funding capacity.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.

MDP Goal	Criterion	Guidance to Applicants & Interpretation	Qualifying or Contextual
Managing Growth & Change	19. What are the funding sources for each capital investment required to service the land, and community, for the Growth Application area?	<p>Based on capital investments required as identified Criteria 18. The City will determine how much funding would be expected to come from off-site levies, and other City sources.</p> <p>The City will consider if Off-site Levy Bylaw amendments are required to enable collection of levies for new infrastructure. Applications will be considered favourable if off-site levy balances are anticipated to provide sufficient funding within the budget cycle; and if the level of other City funding required within the budget cycle aligns with The City's anticipated funding capacity.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	20. To what extent will the Growth Application impact previously-approved Growth Application areas in terms of operating and capital impacts?	<p>Based on the operating and capital infrastructure investments required, as well as the indicated buildout of the Growth Application area, The City will determine the impact (if any) it would have on previously approved new community Growth Application areas' capital and operating commitments (both funded and unfunded).</p> <p>Applications that leverage available existing and/or funded operating and capital infrastructure capacity would be considered favourable.</p> <p>Applications that put pressure on The City's current funding capacity, either from a capital infrastructure perspective as outlined in criterion 18, or from an operating perspective as outlined in criterion 16, would be considered unfavourable.</p>	Qualifying criterion for consideration prior to and following Infrastructure and Planning Committee.
Managing Growth & Change	Are there any other key attributes that should be highlighted about the Growth Application area?	<p>Applicants may wish to highlight unique benefits and identify alignment with other criteria in the budget prioritization process (legal/regulatory/ safety requirements, risk reduction, and economic, social, and environmental resilience).</p> <p>The intent of this criteria to give an opportunity to highlight any relevant or unique contextual factors or benefits that the applicant wishes to highlight to The City. Other examples include (but are not limited to) improvements to city resiliency and sustainability (including mitigating climate change), service efficiency, housing affordability, alignment to other City initiatives, economic development, and innovation.</p>	Contextual criterion to inform budget prioritization following Infrastructure and Planning Committee.

4. Frequently Asked Questions

Why are these changes being made?

On 2022 September 20, 2022, Council provided direction for this work through a Strategic Meeting of Council (C2022-1057). Since then, Administration has worked to change the way The City reviews and makes decisions on new growth and associated investments.

The redesigned process is nimbler and more responsive to both applicant and City timelines, thanks to a continuous acceptance window and more frequent Council decisions. Improved information availability, and more focused and empirical evaluation criteria, make the process more navigable and transparent while protecting The City's city building and financial responsibilities. Council decision making is better supported by fully integrating growth-related investment decisions into annual Service Plans and Budgets deliberations for consideration alongside other financial decisions.

How will these changes improve the Growth Application process?

The redesigned process is expected to increase flexibility and responsiveness for applicants by introducing a continuous submission window, coupled with more empirical and transparent criteria. It will also continue to include consideration of the costs and revenues related to new growth, and will ensure that Council, through Service Plans and Budgets deliberations, will be the final decision-maker on growth decisions and associated commitments, financial and otherwise.

Why do we even need a process for evaluating new community growth? Is this an unnecessary step?

Regardless of the mechanism or process used, there will always be situations where new community developers require City funded capital and operating investments before lands are considered serviced and development can proceed, and The City must decide how to invest scarce funding among multiple opportunities and priorities. This step has been performed in different ways over time, but it has always been performed. The redesigned process learns from past processes while retaining the necessity of completing the task.

How long will the Growth Application process take?

The duration of the process will vary. Timing factors include:

- when the Growth Application is submitted;
- duration of the application evaluation and refinement step (dependent on application complexity as well as the number of rounds of comments & revisions); and
- which year's Service Plans and Budgets process the application may enter (dependent on when the application is recommended for further consideration through the Service Plans and Budgets process by Infrastructure and Planning Committee and Council).

Will proponents who submitted 2022 business cases which weren't approved have to start all over again and submit a new application under the new process?

Any business cases which were not approved by 2022 and were closed will need to be resubmitted as Growth Applications in order to be considered again, since the process and evaluation criteria have changed; however resubmitted applications may be eligible for a reduced fee in recognition that the previous evaluation can be leveraged.

How have the evaluation criteria changed?

Evaluation criteria have been streamlined to focus on topics related to development timing; subjective language from the business case process have been removed from this new process. Criteria are now more precise and empirical, with clear thresholds and ranges as well as information about where and how in the evaluation process the criteria are used.

How will the Growth Application process integrate with Service Plans and Budgets?

Infrastructure and Planning Committee (IPC) and Council will determine whether Growth Applications merit further consideration through the Service Plans and Budgets process; it is expected that a Growth Application must receive an IPC recommendation by May for relevant investments to be considered during Service Plans and Budgets deliberations later that year in November.

Why can't applications submitted this year likely make it to Service Plans and Budgets this November?

Due to expected review and budget prioritization timelines, the earliest that Growth Applications submitted after August 1, 2023 can be considered during Service Plans and Budgets deliberations is in November 2024.

Applications must undergo evaluation before proceeding to Infrastructure and Planning Committee. A recommendation for further consideration through the Service Plans and Budgets process will likely be needed from Infrastructure and Planning Committee by May for relevant investments to be considered during Service Plans and Budgets deliberations the same November. Applications recommended by Infrastructure and Planning Committee after May, and which also receive Council direction for further consideration, will enter the following year's Service Plans and Budgets process.