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NAIOP Government Affairs Update

Presentation to
NAIOP Calgary
March 30, 2016





Agenda

- Offsite Levies
- Municipal Government Act Review and City Charters
- City's Guidelines for Development Adjacent to Railways
- City's Downtown Parking Strategy
- Upcoming new issues

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Offsite Levies

Discussion Leaders

Paul Derksen – Black Watch Property Ltd.

Richard Morden – Bentall Kennedy

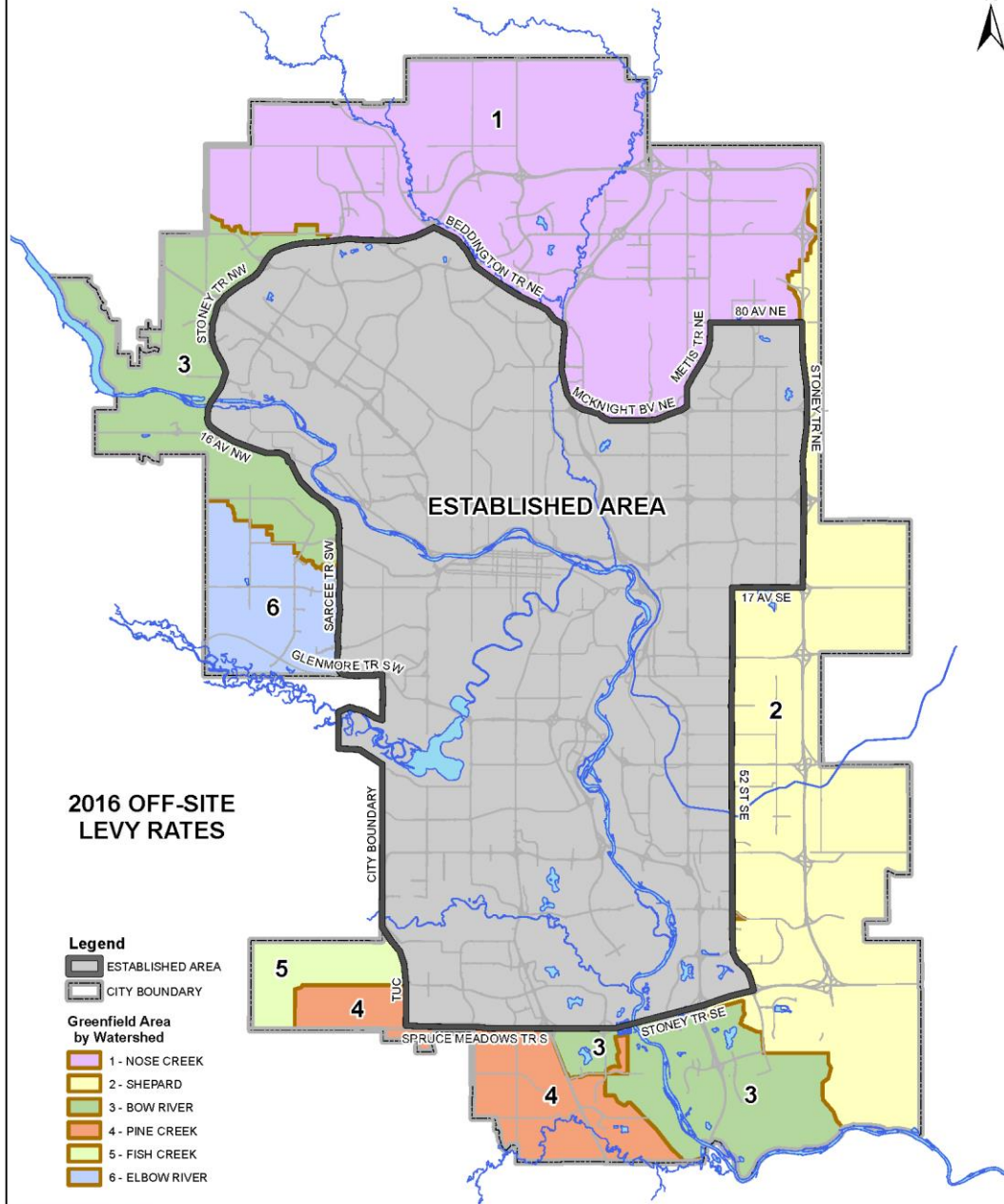
Bob Homersham – Fasken Martineau



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2016 OFF-SITE LEVY RATES

Legend

- ESTABLISHED AREA
- CITY BOUNDARY

Greenfield Area by Watershed

- 1 - NOSE CREEK
- 2 - SHEPARD
- 3 - BOW RIVER
- 4 - PINE CREEK
- 5 - FISH CREEK
- 6 - ELBOW RIVER





Offsite Levies – Greenfield

- New Offsite Levy Bylaw effective Feb 1, 2016 – Jan 31, 2021
 - Greenfield levy increased to fund 100% of front-end costs
 - Impact is a 37% to 45% increase in greenfield rate
 - Impact is \$115k to \$138/acre rises to \$170k to \$187k/acre

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Table 2 Off-site Levy Rates and Community Services Charge – Greenfield Areas

Off-site Levy Greenfield Rates	2015 Rate (\$/ha)		2016 Rate (\$/ha)	
Transportation Total	\$130,289		\$136,789	
Water Resources Total	\$75,315	to	\$131,131	\$206,434 to \$249,138
Water and Wastewater Linear	\$38,006		\$76,774	
Water and Wastewater Treatment	\$36,967		\$129,660	
Drainage by Watershed				
1 Nose Creek Watershed	\$10,315		\$11,325	
2 Shepard Watershed	\$56,158		\$42,704	
3 Bow River Watershed	\$3,980		\$6,983	
4 Pine Creek Watershed	\$3,939		\$16,812	
5 Fish Creek Watershed	\$634		\$0	
6 Elbow River Watershed	\$342		\$0	
Off-site Levy Total Rate	\$205,604	to	\$261,420	\$343,223 to \$385,927
Community Services Charge	2015 Charge		2016 Charge	
Emergency Responses Facilities	\$22,275		\$19,545	
Calgary Public Library (Libraries)	\$6,389		\$5,971	
Calgary Police Service (District Stations)	\$8,633		\$7,648	
Recreation Facilities	\$37,985		\$41,679	
Calgary Transit (Buses)	\$5,806		\$4,007	
Community Services Total Charge	\$81,088		\$78,850	
Total Off-site Levy Greenfield Rate and Community Service Charge	\$286,692	to	\$342,508	\$422,073 to \$464,777

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Offsite Levies – Established Area

- Also effective Feb 1, 2016 – Jan 31, 2021
 - New Established Area Levy for required water/sewer expansion
 - Negotiated 50% lower rate for industrial in Established Area
 - Negotiated 3 year phase in: Feb 2016: 1/3rd - Feb 2017 2/3rd
 - Negotiated density cap feature for high density office & residential
 - Impact – 1 ha downtown 20 FAR site – levies \$615k vs. \$7.5mm
 - Rationale – other downtown costs (centre city levy, CR20 bonus table costs) & beneficial realty tax effect for City

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Offsite Levies

Table 1 Off-site Levy Rates - Established Area

Levy Component	Residential (\$/Unit)					Non-Residential (\$/m ² gross floor area)	
	Single	Semi /Duplex	Multi-Residential Grade-Oriented	Multi-Residential Non Grade-Oriented (2 Bedrooms or More)	Multi-Residential Non Grade-Oriented (1 Bedroom or Less)	Commercial Buildings	Industrial Buildings
Water Treatment	\$1,137	\$1,019	\$706	\$588	\$470	\$36.62	\$17.58
Wastewater Treatment	\$5,130	\$4,599	\$3,184	\$2,654	\$2,123		
Total	\$6,267	\$5,619	\$3,890	\$3,242	\$2,593		

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Offsite Levies - Context

- Offsite levy bylaw endorsed by industry
- Support was contingent on commitment from Council to direct Administration to implement a Work Plan
- Work Plan Advisory Committee to focus on:
 - Phasing growth and land supply strategy
 - Established Area Strategy
 - Funding Growth Strategy
 - Process Improvement Strategy
 - Industrial Strategy



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Municipal Government Review & City Charters

Discussion Leaders

Bob Homersham – Fasken Martineau

Richard Morden - Bentall Kennedy



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Municipal Government Review & City Charters

- Review commenced by previous government.
- Extensive consultations with stakeholders completed. Focused on:
 - Assessment & Taxation
 - Planning & Regional Development
- White papers in cooperation with BOMA –amended July 2015
- Simple, uncontroversial amendments passed in spring 2015 except:
 - Ability to levy twice was added
 - Charter City legislation was enabled
- Remainder MGA and Charter Cities First Reading - spring 2016
- Renewed consultation before MGA 3rd reading – this Fall
- Major issue – will there be an opportunity to consult on City Charters?



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New Policy – Development Adjacent to Railways

Discussion Leaders

Richard Morden – Bentall Kennedy

Bob Homersham – Fasken Martineau



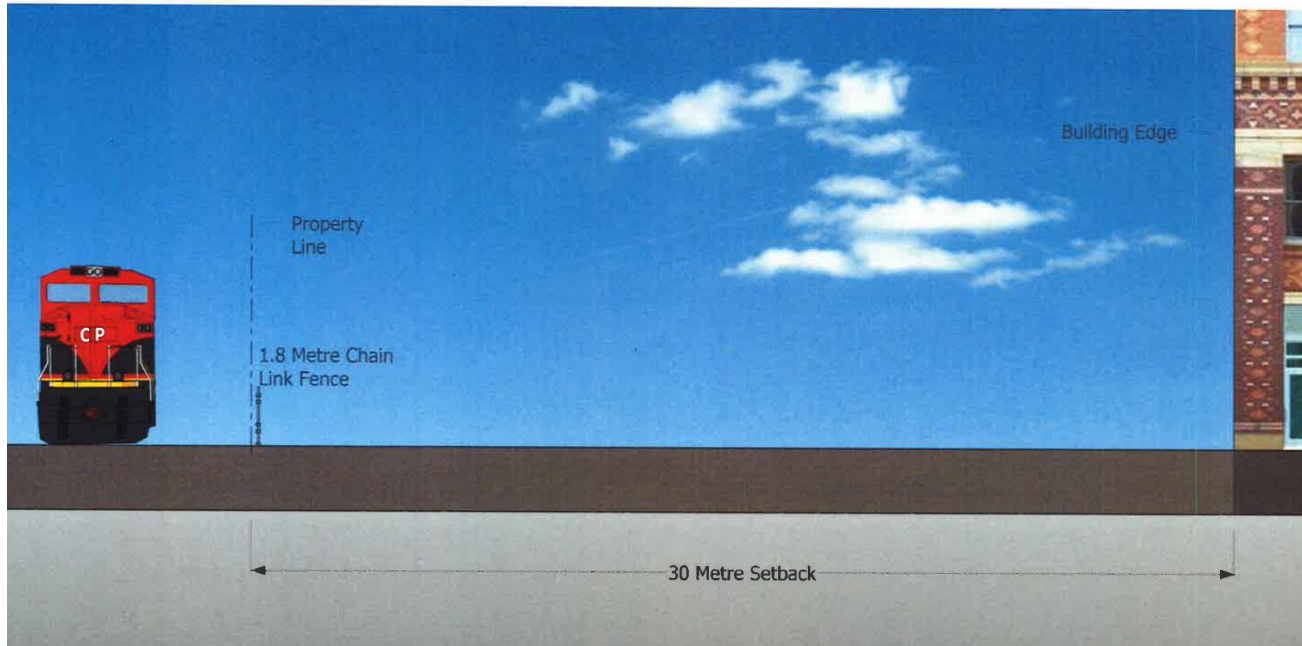
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Area of Impact

30 Metres from the Railway Corridor



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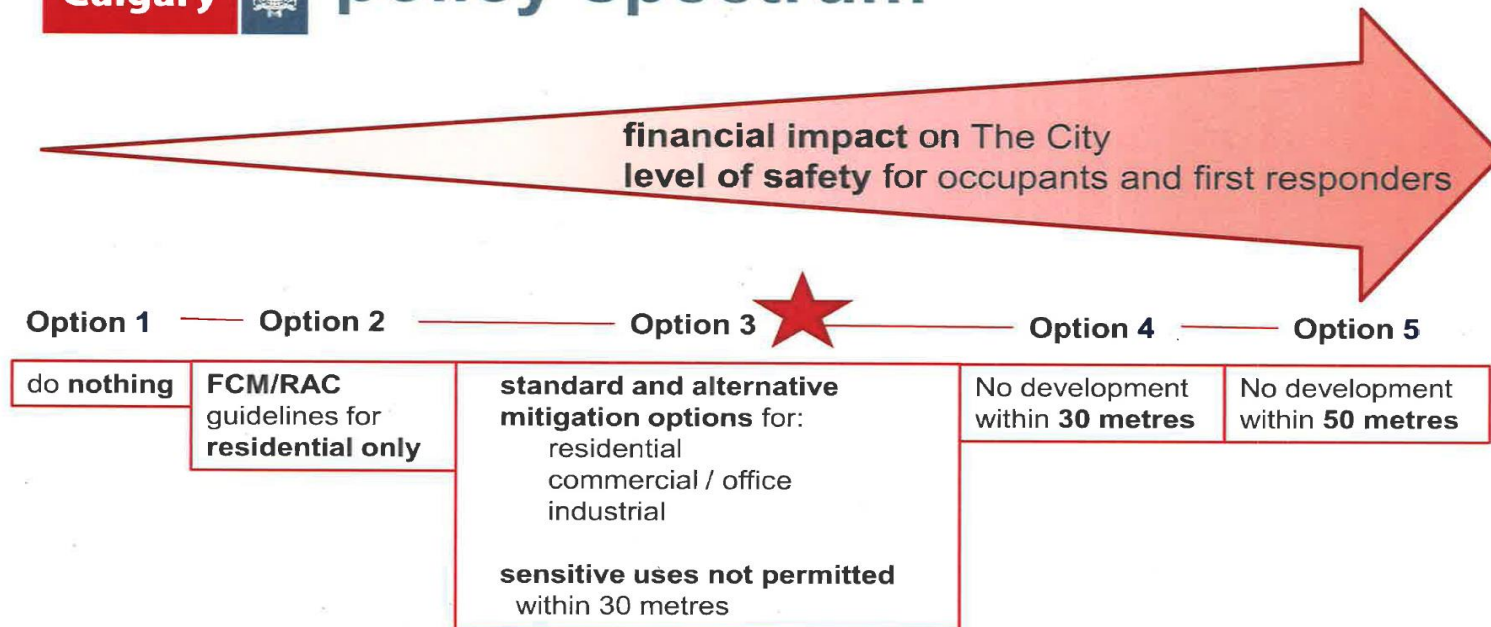
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City – Staff Presentation Highlights



policy spectrum



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City Process

What City Planning is doing:

- **Case-by-case file review for land within 30 m**
- **City: Manage sensitive uses including:**
 - No non-ambulatory or custodial uses
 - Residential uses - risk assessment/peer review
 - All other uses likely not require risk assessment/peer review
- **Surprise: started applying to all existing buildings**
- **NAIOP: No Council approval yet for this process**
- **March 21: ALT reports back to Council**

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NAIOP View – Impact on City & MDP

- Sterilize or limit potential on impacted land
 - Reduce future tax base
 - Reduce potential of City-owned lands (O.L.S.H. and T.O.D. sites)
- Reduce residential/mix use density
- Not aligned with municipal plan (MDP)
- Reduce customer traffic downtown



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NAIOP View – Impact on Land Owners

- Uncertainty & loss of flexibility on use
- Lost density in any setback
- Addition of blast walls to projects
- Addition of at-grade parking structures to mitigate collision impact
- Additional addressable fire safety equipment
- Additional on site staff (residential)
- Longer, costlier approval process

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NAIOP View - Alternative Policy Response

- **Preferred: Make Big Rail responsible for their operations**
- **Or: Reduce/mitigate impacts of Staff plan**
 - Handle safety through building code & emergency measures
 - Remove some uses from “sensitive” uses list
 - Introduce development incentives to offset impact
 - Cost share with rail companies
- **Or: Relocate railways out of the core**

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Downtown Parking Policy – Cash-In-Lieu

Discussion leaders

Bob Homersham - Fasken Martineau

Richard Morden - Bentall Kennedy



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Downtown Parking Policy – Cash-In-Lieu

- Council commitment after passage of CR-20 Land Use Bylaw
- Win was getting a consultation – rejected by City in past
- November 2014 – NAIOP lobbied CPC/Council to direct review
- City work program approved late 2014
- February 2016 – City/NAIOP workshop (great turn-out: approx. 30 members)



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Downtown Parking Policy – Cash-In-Lieu

- Present policy:
 - 1stall/1,550 sf
 - 50% provided cash-in-lieu to City (\$40,000 per stall)
 - Effective ratio in buildings – 1/3,100 sf (with many exceptions)
 - Restrictions on public parking (provision & CPA management mandated)

- Preferences:
 - Increase allowable ratio / make it “up to” 1 stall/1,000 sf
 - Reduce or eliminate ratio of cash in lieu stalls – return stalls to our buildings
 - Increase flexibility to provide casual parking (developer choice)
 - Potential to voluntarily pay cash to City in lieu of providing (developer choice)

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Downtown Parking Policy – Cash-In-Lieu

- Next Steps:
 - Negotiating with staff on potential revised bylaw
 - Political/Council level lobby will be required
 - Potential revised bylaw to Council by March 2017



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In Closing

- **Upcoming & other ongoing issues:**
 - Green line C-Train alignment
 - RECA policy
 - Wetlands Policy
 - Rocky View County Industrial Offsite Levy changes
- **Questions?**

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