

September 17, 2024

Comprehensive Growth Plan Framework

REPORT PURPOSE

This report provides the Committee of the Whole with a framework for, and information about, the Comprehensive Growth Plan.

REQUESTED COMMITTEE ACTION

Information only

STRATEGIC ALIGNMENT

An economically prosperous and financially sustainable community to last generations.
Future-proof growth for a safe, inclusive, and vibrant community.

COUNCIL BYLAW, POLICY, MASTER PLAN

Municipal Development Plan "Our Complete Community"
Edmonton Metropolitan Region Board – Growth Plan

COUNCIL AND COMMITTEE HISTORY

N/A

Report

The purpose of this report is to introduce a municipal growth project framework and associated work items to Council. Administration will outline the project's scope, anticipated outcomes, and its significance for Council, as well as the broader community. The resulting Comprehensive Growth Plan (CGP) will help guide Administration's recommendations and Council's decision-making process for the long-term.

Although the City's Municipal Development Plan (MDP) provides direction for local development, services and land use, along with outlining the City's relationship within the region and forecasted demographics, it does not address any measure of financial sustainability or detailed development timelines. The CGP puts action to the MDP's vision, allowing the City to effectively and sustainably achieve "Our Complete Community".

The CGP also meets two actions in Council's Strategic Plan:

- Incorporate demographic forecasts, growth patterns, and relevant strategies and directional plans into a comprehensive, 20-plus year master strategy to anticipate and plan for future community needs.
- Develop a forward-looking policy for public facility and land planning that includes guidelines for joint-use facilities, the long-term reuse and repurposing of older facilities, and a land management and land bank strategy.

Background

The City of Beaumont faces ongoing challenges due to its continual growth, a trend expected to persist for decades. While the community's expansion enhances its vibrancy, it also strains operational services and finances, necessitating a robust growth management plan. Understanding the operational

and financial ramifications of growth is essential for effective future planning and demonstrates a commitment to prudent financial stewardship and sustainability. Since 2016, the City has grown by 29%. In 2023, the City grew another 4.6%, putting its population to 23,302¹ and expected developments forecast the City's population to be 48,300 by 2044 as per the MDP's midpoint growth scenario.

Canada's population grew by 3.2% in 2023, reaching 40,769,890 as of Jan. 1, 2024, the highest growth rate since 1957, when it grew 3.3%. Alberta also saw its highest growth rate at 4.4% as of Jan. 1, 2024 resulting in a population growth of 202,354 bringing its population to 4.8M².

With cities and mid-sized municipalities across the country facing similar hardships due to the pressures of record growth, as urban centers attract the most growth, a few municipalities have undertaken studies and plans to help manage growth. Beaumont's reliance on residential tax further exacerbates the challenge of growth, as does the decreased funding to municipalities from the provincial government to support their growing infrastructure needs. The Federation of Canadian Municipalities (FCM) is actively advocating for a new Municipal Growth Framework that would create "a new, more equitable way to fund local governments"³. To support the possible results of FCM's municipal finance reform advocacy, Administration recommends taking a proactive stance by demonstrating its data-based approach to planning. Government grant applications have become more intricate, incorporating detailed reporting criteria to ensure efficient use of taxpayer funds. It is anticipated that securing additional funding from provincial or federal sources will require appropriate well-prepared business cases and needs assessments, with the CGP housing the required supporting documentation.

Comprehensive Growth Plan

Municipal growth planning involves strategic efforts to manage and guide the expansion and development of urban areas. This process examines past growth trends and patterns, including a projection of future growth in population, to help understand the dynamics of growth and development, and infrastructure impacts.

The CGP brings those priorities together, integrating financial sustainability, for a complete view of the municipality's growth over the next 20 years.

Several recent City planning initiatives have a significant impact to long-term municipal planning, such as the 10-year Capital Plan, Protective Services Level of Service Review, Utilities & Stormwater Management Master Plan, the robust public engagement project (A Place to Grow), preparing a Joint Use and Planning Agreement with the City's local school boards, joint municipal facilities planning, feedback from Council's Committees, and the Community Health Needs Assessment. These efforts will be inputs into the CGP – the overarching document that integrates Council's Strategic Plan, the MDP, and other guiding plans and strategies for the orderly and appropriate growth of Beaumont.

The development of a CGP is a proactive response to the challenges and opportunities posed by current and projected population growth. As residential development surges, strategic planning and governance become imperative to sustain the community's vibrancy, resilience, and sustainability for both present and future residents. Unchecked growth often places undue financial burdens on current taxpayers, as they fund assets future residents will benefit from. To ensure intergenerational equity, forecasting needs and utilizing available resources effectively are paramount.

¹ Alberta population estimates by municipality: <https://open.alberta.ca/dataset/alberta-population-estimates-data-tables>

² Provincial populations: <https://www.alberta.ca/population-statistics>

³ FCM: Making Canada's Growth a Success: <https://fcm.ca/en/resources/making-canadas-growth-a-success>

By acting now, the City can work to effectively manage growth-related impacts on infrastructure, public services, and quality of life, while also leveraging economic opportunities and preserving neighborhood character. This forward-thinking approach enables us to shape the City's future in alignment with its values, laying the groundwork for long-term prosperity and well-being.

The CGP will enable Council to adjust a prioritized list of capital items and operating service levels with a comprehensive view of both present and future financial limitations, alongside the underlying assumptions guiding them. This list, prioritized and sequenced as necessary, will reflect a long-range perspective for decision-makers. In the event of changes in funding from governments, grants, debt, partnerships, or alterations in the city's residential/non-residential tax proportion, or changes to other statutory and non-statutory plans, Council would be equipped to seamlessly realign priorities, fully comprehending the operational and capital implications involved.

Given the size of capital and social projects required over the next two decades, resource allocation, risk management, and regulatory requirements, Administration recommends a 20-year planning horizon as an optimal duration for the CGP. The CGP is intended to stay responsive to changing circumstances and opportunities. The CGP could be renewed every four-years in tandem with Council's Strategic Plan and reviewed annually to align with the municipal budgeting process. Council's endorsement of this plan and involvement in the various deliverables ensures Administration has a clear, guiding strategy and enables transparent discussions and decision-making to occur long-term.

The CGP will include the phases outlined in the table below. Items marked with a star* in the first column will be brought forward to Council for information or approval.

Phase 1: Discovery	Rationale
Data collection	This would include an inventory of Master Plan actions, as there are significant actions that are yet to started or funded in the Budget. An inventory of developer-contributed assets & timelines for City management of assets. Data on current service levels and operational impact for developer-contributed assets. Development of baseline assumptions and related projects (e.g., asset management, commercial growth).
Decision-Making Rubric for Capital Projects	Grounded in data, this rubric will help to right-size public infrastructure and amenities (a balance of wants and needs), i.e., Protective Services. It will also provide context and classification for growth-related budgetary requests to support Council during budget deliberations.
Service Classifications (e.g., Legislated, Essential, Core, Strategic)	A service classification system will be developed to help prioritize projects and initiatives.
Engagement with municipal neighbours	To understand their growth plans and what impacts those will have to the City of Beaumont's services. For example, the East Vistas in Leduc County is expected to have a population of 25,000 by 2040 and there's continued growth in southeast Edmonton.
Phase 2: Development	Rationale
Responsible Growth Policies* (i.e., how the City	Responsible growth policies aim to balance the needs of development with considerations for sustainability, equity, and quality of life for residents.

grows and how fast the City grows)	
Expanded service levels, to include recreation, protective services, library services, schools & more*	Expanded service levels will allow for better projections of needs as the population increases. For example, if a service level is set that the City needs a library facility of a certain physical and collection size for every 20,000 residents, then based on population projections, Beaumont may need to be saving for another library facility in 2036.
Coordination with Developers & Improved Development Agreements	Proactively working with our development community will enable the city to ensure a continued high quality of life for our residents and creates opportunities for non-municipal dollars to be invested into the community during the multiple developments over the next 20 years. (i.e., amenities of a development)
Updated and expanded offsite levy model*	Offsite levies allow municipalities to capture from developers the costs of offsite infrastructure that benefitting the broader community. The city will be examining the types of infrastructure and facilities are included in the levy, timing of development and allocation of costs. The city's offsite levy bylaw was last updated in 2019 and we currently collect for sanitary, water, and transportation infrastructure. This update will incorporate the new Utilities and Stormwater Master Plan, reflect updated timing of the buildout of new areas, and explore the imposition of soft levies, such as fire.
Land Management & Land Bank Strategy*	<p>The Land Management Strategy will guide the use, acquisition, and disposition of City land. It will also provide guidance on how Municipal Reserve land is used and acquired. This is necessary to guide decisions associated with the use, acquisition, and disposition of land that helps meet the needs of current residents without compromising the needs of future Beaumont residents. This will also assist Administration in working closely with developers and proactively ensuring the City's needs are met.</p> <p>The Land Management Strategy may also consider investing into the development of Area Structure Plans on lands within the City to help drive commercial investment.</p>
Phase 3: Financial Analysis	Rationale
Incorporation of financial modelling	Once the Development Phase is completed, financial modelling can be applied (e.g., reserves, multi-year budgeting and municipal tax planning)
Incorporation of indicators, i.e., the Building Construction Price Index	Currently, the City uses the Consumer Price Index as an indicator for long-term forecasting. However, further research on utilizing the Building Construction Price Index may be a more accurate metric for forecasting capital costs for the municipality, and therefore improve the accuracy of long-term planning.
Detailed operational impact projections	As new developments are completed and transfer to City management, as well as population increasing, detailed operational impact projects will ensure staffing and operations keep pace with the growth.
Phase 4: Completion	Rationale
Completed CGP*	A completed CGP is finalized which provides a framework to effectively manage growth-related impacts on infrastructure, public services, and quality of life, while also leveraging economic opportunities and preserving neighborhood character.
Advocacy	The CGP will help quantify the City's Infrastructure Deficit (i.e., projects that are necessary to expand, upgrade, or rehabilitate the municipal infrastructure system and that have been deferred as they exceed the current funding capacity) and support intergovernmental requests.

The CGP will achieve the following outcomes:

- Effective planning for growth and future infrastructure needs
- Comprehensive and transparent capital planning based on service classification
- Equitable distribution of the cost of growth
- Improved financial modelling for better decision-making
- Informed negotiations with developers on municipal needs
- Municipal policies related to growth that provide a framework for decision-making, reduces uncertainties, and enables goals and objectives to be met
- Optimization of funding sources and proactive planning
- Supporting evidence for intergovernmental funding requests.

Next Steps

There are inputs into the CGP that continue to be developed and finalized:

- A Place to Grow: to provide clarity on community direction from various focus groups on selected items from master plans and options for financial sustainability efforts (e.g., willingness to increase property taxes and/or user fees, decrease services levels).
- Off-site Levy update.
- Asset Management - condition assessments review.
- Lastly, action items from the Protective Services Level of Service Review, as well as the Health Services Action plan will be brought to Council throughout the year.

Simultaneously, Administration is beginning work on the Discovery Phase of the CGP. An important portion of this work will involve engagement with Beaumont's municipal neighbours regarding their growth plans and what impacts those will have to the City's services. For example, Administration recognizes the East Vistas in Leduc County is expected to have a population of 25,000 by 2040 and the continued growth in south-east Edmonton. This is in addition to Beaumont's expected population growth and the recognition of additional services and facilities to support these families.

Administration anticipates completing this project by Q1 2026. Future updates may expand or build on this first version.

Financial Analysis

A significant portion of this work is being done with internal resources.

However, certain project inputs have already been funded such as the Off-site levy project, A Place to Grow, Protective Services Review.

Risk Analysis

The results of this plan and the ability to model the fiscal impacts of growth over the long-term may cause concern from residents regarding future tax impacts. Until the project is complete, Administration will continue to project future costs and bring forward suggestions through budget deliberations, following the same process used now. Once more information is available to Finance to undertake longer-term financial planning, these estimates may change.

Community Insight

Considerable public engagement has taken place for the MDP, Master Plans, and 'A Place to Grow'. The CGP puts a plan in place to execute these items, in addition to the priorities that have been identified outside of these statutory plans, in a way that is proactive, effective, and fiscally responsible.

Attachments

1: CGP Powerpoint Presentation