

# WHO PAYS TO PLAY?

## A Case Study on Optional Amenity Agreements in Calgary's New Communities

**CASE  
IN  
POINT  
2018**

by: Evan Sinclair  
with: Marc Brown, MCP, MCIP, RPP

### **ABSTRACT**

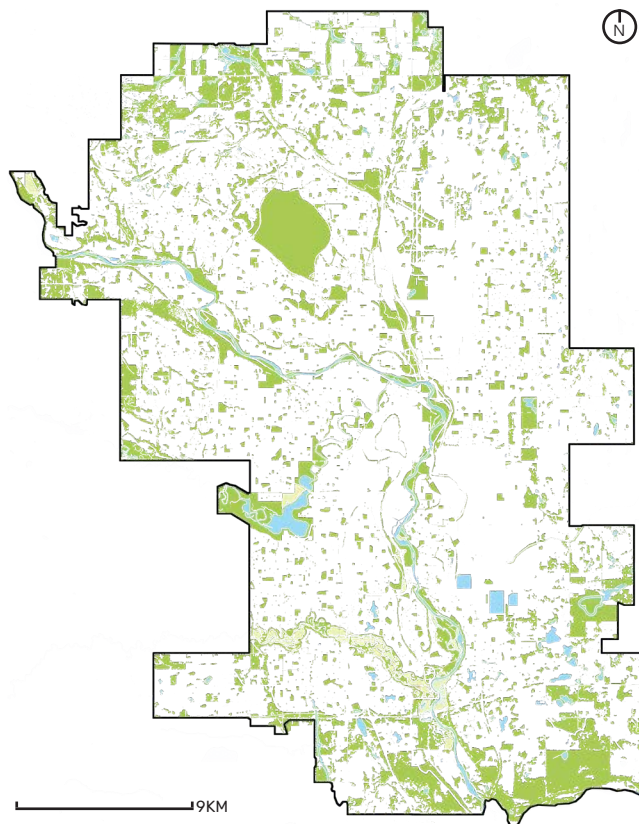
While few planning experts would oppose the value of parks and open spaces in urban communities, these public amenities also translate into significant long-term maintenance costs. In turn, municipalities are reluctant to approve parks and open space plans featuring enhanced amenities, such as decorative fixtures, gazebos, or pedestrian bridges, despite the public demand to make these improvements. To address this issue, the City of Calgary has introduced strategic agreements for facilitating these types of enhanced amenities, while ensuring any increased maintenance costs are shared among public and private interests. This case study examines how this approach takes shape in new communities where Optional Amenity

Agreements are commonly formed between developers and the City of Calgary. After describing the facts of Optional Amenity Agreements, potential conclusions and outcomes are drawn from the new community of Walden, where several of these agreements were put into practice. Next, in reflecting on the changes made to the policies and regulations over time, as well as the current framework in place, five key lessons are identified for municipalities interested in undertaking a similar initiative. Perhaps most importantly, the case of Calgary demonstrates the value in introducing these types of policies in a transparent manner, ensuring the voices of the development community and general public are heard throughout the process.

## BACKGROUND

For planning theorists and professionals alike, public parks and open spaces are considered essential for creating attractive, viable, and stimulating urban environments (United Nations, 2015). Whether the conversation is centred on a downtown, a mature neighbourhood, or a recent community, residents and visitors alike require these spaces to engage with one another and maintain a connection to nature within the city (Roseland, 2012).

These potential benefits have not been overlooked in the City of Calgary. For example, the City's Municipal Development Plan (2017) identifies the creation of quality public parks, open spaces, and other community amenities as a principal city-wide policy objective. Currently, the City of Calgary contains over 8,000 hectares of parkland and open space (City of Calgary, 2018), as shown conceptually below in Figure 1.



*Figure 1.* Distribution of Calgary's natural areas and open spaces. Adapted from Natural Areas and Open Spaces in *The City of Calgary's Municipal Development Plan*, by The City of Calgary, 2017. Retrieved from: <http://www.calgary.ca/PDA/pd/Documents/municipal-development-plan/mdp-municipal-development-plan.pdf>

These areas are primarily acquired through the subdivision approval process requiring a 10% land dedication to the Municipal Reserve (MR). Although the local School Board has priority in selecting land from the MR, the majority of the 10% dedication is used for parks and open space within the community (City of Calgary, 2003).

As each community has unique needs, the City of Calgary recognizes it is important to provide parks and open spaces that reflect the public's preferences and priorities. At the same time, developers want to build appealing places for people to live (M. Chiacchia, personal communication, April 9, 2018), which requires them to adopt innovative approaches for introducing quality spaces into new communities (City of Calgary, 2003). However, considering these spaces are ultimately turned over to the City for ongoing maintenance, any designs above and beyond the standard requirements are perceived to impose greater long-term costs (D. Harrison, personal communication, April 5, 2018). As a result, the development community and the City are both impeded by the challenge of implementing quality public parks and open spaces suitable for the community's needs, while also ensuring the cost of doing so does not unduly burden either interest.

## POLICY & REGULATORY CONTEXT

Recognizing the need for improved procedures, the City of Calgary began reviewing its corporate policies and engaging with local stakeholders (City of Calgary, 2016). After establishing the primary concerns of both public and private interests, the City of Calgary made necessary changes to the existing planning and development legislation, as well as introduced new policy and regulatory measures. The following is a summary of what emerged from this process, which at its core, put in place a framework for developers and community members to have greater agency over the provision, operation, and maintenance of public amenities.

### Enhanced Landscape Maintenance and Infrastructure Agreements (CPS 2003-09)

In 2002, the City of Calgary responded to repeated demands for a templated process for introducing improved amenities into new or existing neighbourhoods. As such, the Enhanced Landscape Maintenance and Infrastructure policy was put in

place, offering a consistent guide for developers and community members alike. Throughout the implementation phase the City continued gathering feedback from stakeholders and, in turn, created CPS 2004-61 to incorporate the suggested revisions. Specifically, the policy outlines four different mechanisms by which stakeholders can enter into agreements with the City of Calgary, including Optional Amenity Agreements, Landscape Maintenance Agreements, Special Tax Levies, and Endowment Funds. However, when it comes to introducing improved amenities into new communities, Optional Amenity Agreements were identified as the most commonly employed of these tools (M. Chiacchia, personal communication, April 9, 2018).

### Municipal Development Plan (2017)

In Section 2.3.4 of Calgary’s Municipal Development Plan, titled *Parks, open spaces and outdoor recreation*, the important role of community associations, social recreation groups, and civic partners in providing and maintaining public amenities is recognized. While this statement regarding partnerships is relatively vague, it does express the City’s commitment to supporting the efforts of these various other actors. In some cases, establishing partnerships with these actors also allows the City to progress toward other goals. Figure 2, taken from the Municipal Development Plan (p. 46), demonstrates the City’s intent to coordinate development activity with the preservation of natural areas and open spaces to connect green corridors.



Figure 2. Eco-network concept comprised of natural areas and open space. Reprinted from *The City of Calgary’s Municipal Development Plan*, by The City of Calgary, 2017. Retrieved from: <http://www.calgary.ca/PDA/pd/Documents/municipal-development-plan/mdp-municipal-development-plan.pdf>

### BYLAW NUMBER 20M2003 (2011)

Acting as a regulatory guide for how parks and pathways in the City of Calgary are used, the Bylaw outlines the City’s ability to delegate the operation and maintenance of parks to any “Person or Persons the Director considers advisable” (2011, s. 46, p. 11), which could include community associations or corporate entities. This is an important factor when it comes to establishing partnerships to offset the associated costs and provide stakeholders with greater flexibility.

### City of Calgary Open Space Plan (2003)

The City of Calgary’s Open Space Plan offers details about operational arrangements with both public and private partners. For example, in the section titled *New Communities*, it is stated the development of public amenities “over and above the Parks’ maximum Landscape Development Standards shall be the responsibility of a residents’, community or homeowners’ association” (p. 27). Further to this notion, the *Parkland Strategies* section confirms the City will work with the development industry to address the “appropriate type and level of park development on reserve lands and related operating responsibilities” (p. 29). Further statements in the Open Space Plan reiterate the City’s commitment to collaboration and providing the development community with a system of enhanced flexibility (p. 29).

### THE FACTS OF OPTIONAL AMENITY AGREEMENTS

When it comes to developers going ‘above and beyond’ with the design of public parks and open spaces in Calgary’s new communities, including amenities like water features, gazebos, and pedestrian bridges, the Optional Amenity Agreement (OAA) has been the primary mechanism allowing them to do so.

A developer may enter into an OAA with the City of Calgary when a public park design incorporates one or multiple features that exceed the Landscape Development Standards. The nature of the agreement requires developers to contribute a set amount of money into the ‘amenity removal and landscape rehabilitation fund’. This amount is determined according to the average of three different cost quotes, retrieved by the developer, for the removal of the

amenity and remediation of the site. These funds are held in a separate account and are only used for the purposes of repairing, maintaining, or removing the amenity once the OAA ends or is terminated early (City of Calgary, 2004).

The intent to construct optional amenities is expressed to the City at the tentative planning stage. In doing so, the developer is obligated to submit detailed designs, plans, elevation drawings, and specifications for the prospective construction of the enhanced features. Once the OAA is established and the design is approved, construction of the amenity within the public area may begin. While the City of Calgary will manage the public site once a Final Acceptance Certificate has been signed, the enhanced amenity or amenities remain the property of the developer, requiring them to provide ongoing maintenance services (M. Chiacchia, personal communication, April 9, 2018). However, prior to the new community reaching 2/3 build-out, the developer is obligated to make reasonable efforts to assign the OAA over to a neighbourhood or community association. At this time, the developer is absolved from maintenance duties, but the amount paid to the ‘amenity removal and landscape rehabilitation fund’ remains in the City’s account. As a result, the community or neighbourhood association is not required to contribute any additional finances, and rather, are free to enjoy their enhanced parks and open spaces (City of Calgary, 2004).

## OUTCOMES AND CONCLUSIONS: THE COMMUNITY OF WALDEN

Walden is a new community in Calgary that has capitalized on the opportunity to include enhanced features in its public parks and open spaces. Located in Calgary’s southeast quadrant, Genstar’s vision was to build a community with maintained tree stands, naturalized landscapes, and tranquil green spaces.

In collaboration with the landscape architecture firm LA West, two distinct features were added to the community plans to enhance the public spaces, requiring Genstar to enter into an OAA with the City of Calgary (Genstar, 2018). The first are a series Pergolas, as shown in Figure 3, which are distributed along the community walkway to provide a sense of place and comfort from the elements. The second is a pedestrian bridge, as shown in Figure 4, directing residents and visitors through a forested area.

Genstar’s contribution to the amenity removal and landscape rehabilitation fund = \$3,033.34



Figure 3. One of several pergolas introduced into Walden’s community space. Reprinted from Walden Southeast Calgary, by Excel Homes Calgary, n/d. Retrieved from: <https://www.excelhomes.ca/communities/calgary/walden>

Genstar’s contribution to the amenity removal and landscape rehabilitation fund = \$3,416.67



Figure 4. Pedestrian bridge through Walden’s forested area. Reprinted from LA West Architecture Calgary, by S. Wright, n/d. Copyright 2018 by LA West. Reprinted with permission.

Reflecting on the planning, design, and development process for Walden demonstrates three potential benefits of entering into an OAA. First, the developer was able to add features to the community that exceeded the Landscape Development Standards, which otherwise would have been rejected during the approvals process.

In turn, these enhanced features were welcomed by community members who prioritized quality public spaces. Figure 5 demonstrates a map of the community and identifies the general area in which the enhanced amenities are located.



Figure 5. Map of Walden and location of enhanced amenities. Adapted from Walden Lot Map by Cardel Homes Calgary, n/d. Retrieved from: <http://www.cardelhomes.com/calgary/communities/walden/lot-map>

Second, the Enhanced Landscape Maintenance and Infrastructure Agreements policy provided a template for the procedure, resulting in a more efficient approvals process and a predictable response from the City. While it is difficult to estimate the cost of delayed construction, the noted amounts the developer was required to pay for the amenities are potentially less significant than those incurred during a prolonged plan approval process.

Third, the agreement resulted in potential cost-savings for the City, as the developer accepted responsibility for any required maintenance while the OAA was in effect (S. Wright, personal communication, April 9, 2018). However, in an effort to avoid incurring additional costs during this phase, the development community has begun to take a more proactive approach to providing amenities. For example, rather than seeding new parks or open spaces, the development community invests in laying sod or planting native grass species instead, both of which require less maintenance and contribute to sustainability efforts (M. Chiacchia, personal communication, April 9, 2018).

## LESSONS LEARNED

There are five (5) key lessons that can be drawn from the use of Optional Amenity Agreements in Calgary's new communities.

1. It is important that the development community, local stakeholders, and general public are included in the conversation. In the earliest iteration of Calgary's Enhanced Landscape Maintenance and Infrastructure Agreements policy, it is reported there was a lack of accountability regarding where the funds were being held. Through extended consultation with representatives of the development industry, it was established the City would hold the funds in a more transparent manner, allowing both parties of the OAA to monitor the use (M. Chiacchia, personal communication, April 9, 2018).

2. In seeking to implement cost-saving measures for the acquisition, operation, and maintenance of parks and open spaces, it is important to be cautious of overly privatizing these places. In some cases, particularly when maintenance services are contracted out to private entities or additional facilities are purchased through property levies, the publicness of these spaces can become jeopardized. One way to address this issue is to ensure there are no competing private and public amenities introduced into a new community (M. Chiacchia, personal communication, April 9, 2018).

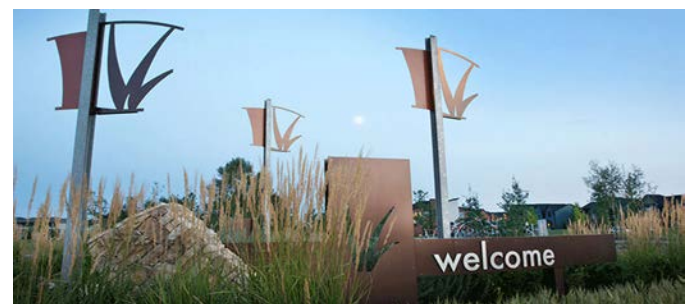


Figure 6. Welcome to Walden. Reprinted from Walden in *Little Free Libraries* by totallyCalgary, n/d. Retrieved from: <http://totallycalgary.ca/walden/>

### 3.

Due to the limited scope of this project, only Optional Amenity Agreements have been discussed in detail, while only briefly mentioning Landscape Maintenance Agreements, Special Tax Levies, and Endowment Funds. However, it is important to note these additional mechanisms are also important, as they increase the range of opportunities for sharing the cost of operating and maintaining public amenities. In particular, established community and neighbourhood associations have access to funding opportunities that developers and the City do not, such as those distributed by Parks Foundation Calgary (Parks Foundation, 2018).

### 4.

Despite Optional Amenity Agreements having gone through a number of revisions to date, they are still far from perfect in the eyes of the development community. Nevertheless, between having this policy in place and nothing at all, the preference is to have the option available to be more creative with designs. As such, one way to increase the acceptance of the OAA would be for the City to recognize the value of the investment itself. This could be achieved by allocating a portion of the cost savings into mutually beneficial initiatives, such as streamlined approval processes or market research for parks amenity preferences. Further, by tracking the maintenance costs associated with these enhanced amenities, a more realistic idea of what should qualify for the OAA could be established over time (S. Wright, personal communication, April 9, 2018).

### 5.

As the implementation of an Optional Amenity Agreement should be intended to serve the needs of developers, residents, and the City alike, discussions should be focused on the common ground between these interests. Each party stands to gain from increasing the quality of public parks and open spaces, which is a principle that should be reflected in any policy or plan that is introduced.

## CONCLUSION

This case study has explored the use of Optional Amenity Agreements in Calgary's new communities. After recognizing there was a need for improved procedures, these agreements emerged as a tool for enhancing the quality of public parks and open spaces, while offering a mechanism for sharing the long-term maintenance costs. In looking at the example of Walden, a new community in Calgary's southeast quadrant, the agreements were observed to be successful in enhancing the public parks and open spaces, facilitating an efficient approvals process, and ensuring the City would not incur significant future maintenance costs. Nevertheless, despite having gone through various iterations, the Optional Amenities Agreements are still not perfect. This process of improvement, however, offers a number of valuable lessons for municipalities interested in introducing a similar initiative. Perhaps most importantly, the case of Calgary demonstrates how critical it is to introduce these types of policies in a transparent manner, ensuring the voices of the development community and general public are heard throughout the process.



*Figure 7 / Cover Image.* Conceptual public park design in Calgary. Reprinted from Conceptual Drawing Grant, by Parks Foundation Calgary, n/d. Retrieved from: <http://www.parksfdn.com/conceptual-drawing/>

## REFERENCES

- City of Calgary. (2002). Open Space Plan. Calgary Parks Department – Parks Planning and Operations. Retrieved from: <https://www.calgary.ca/CSPS/Parks/Documents/Planning-and-Operations/open-space-plan.pdf?noredirect=1>
- City of Calgary. (2004). CPS2004-61 Attachment 1: Enhanced Landscape Maintenance and Infrastructure Agreements Proposed Amendments. Calgary Parks Department. Retrieved from: Personal request to Parks Calgary, April 9, 2018.
- City of Calgary. (2011). BYLAW NUMBER 20M2003. Calgary Parks Department. Retrieved from: <https://www.calgary.ca/CA/City-Clerks/Documents/Legislative-services/Bylaws/20m2003-ParksPathways.pdf?noredirect=1>
- City of Calgary. (2016). Enhanced Maintenance Agreement and Infrastructure Agreements. (CPS2004-61). Calgary Parks Department. Retrieved from: <http://www.calgary.ca/CA/city-clerks/Documents/Council-policy-library/csp007-Enhanced-Maintenance-Agreement-and-Infrastructure-Agreements.pdf>
- City of Calgary. (2017). City of Calgary Municipal Development Plan [Office Consolidation August 2017]. Calgary Planning Department. Retrieved from: <http://www.calgary.ca/PDA/pd/Documents/municipal-development-plan/mdp-municipal-development-plan.pdf>
- City of Calgary. (2018). Parks and Recreation: Calgary Parks [website]. Accessed 8 April 2018. Retrieved from: <http://www.calgary.ca/CSPS/Parks/Pages/home.aspx>
- Genstar Calgary. (2018). Our Communities: Walden [website]. Accessed 10 April 2018]. Retrieved from: <https://www.genstar.com/calgary/walden>
- Parks Foundation. (2018). Parks Foundation Calgary Projects: Community-Led Projects [website]. Accessed 10 April 2018. Retrieved from: <http://www.parksfdn.com/community-led-projects/>
- Roseland, M. (2012). Toward Sustainable Communities: Solutions for Citizens and their Governments. 4th Edition. Gabriola Island, CA: New Society Publishers.
- UN Habitat. (2015). Issue Paper on Public Space. Habitat III Issue Papers. Retrieved from: [https://unhabitat.org/wp-content/uploads/2015/04/Habitat-III-Issue-Paper-11\\_Public-Space-2.0.compressed.pdf](https://unhabitat.org/wp-content/uploads/2015/04/Habitat-III-Issue-Paper-11_Public-Space-2.0.compressed.pdf)

### Additional Contributors:

Chiacchia, M. P. Eng. Genstar Development Company, Vice President of Calgary Communities.

Harrison, D. MLA, CSLA. City of Calgary, Capital Development Project Lead.

Wright, S. LAT. L.A. West Calgary Inc., President.

