

# A Primer: Nine Reasons to Reject the Three Sisters Mountain Village and Smith Creek Area Structure Plans

## Introduction

In late 2020, Three Sisters Mountain Village (TSMV), a land speculation company active in the Bow Valley for many years, submitted two new proposals for development to the Town of Canmore. The scope and footprint of the proposals – the *Three Sisters Village* and *Smith Creek Area Structure Plans* (ASPs) – far exceed those of earlier plans. If accepted as proposed, the plans will result in consequential, wide-ranging impacts that will forever transform the nature and character of Canmore and the surrounding valley.

The Area Structure Plans are long, detailed documents. To fully understand them requires reading hundreds of pages of documents not only by TSMV, but by the Town of Canmore and independent third-party reviewers. To help people who are concerned about the future of the valley but have limited time, members of Bow Valley Engage have identified nine critical reasons why the proposals are unacceptable. The following provides a short summary of each reason and a brief outline of what Town of Canmore councilors and citizens can do. (For more detail see [www.bowvalleyengage.com](http://www.bowvalleyengage.com).)

The Canmore Mayor and Council have the authority to accept or reject the Area Structure Plans, or they can make amendments to them. As stated in the 1992 Natural Resource Conservation Board Decision Report, which is the foundational document that sets out the parameters for development on the TSMV lands, “. . . the Town’s decision-making process. . . could result in a complete rejection of all or any part of the project approved by the Board. . . .” While the mayor and most councilors have indicated they are most interested in amended plans, Bow Valley Engage suggests the type and number of amendments required to make the proposals acceptable would result in entirely different plans. ***Accordingly, Bow Valley Engage recommends the proposals be rejected and returned to TSMV with strong direction – derived from Town hosted community visioning process – for future, more acceptable proposals.***

In making the recommendation for rejection, Bow Valley Engage reiterates its position that it is *not* opposed to reasonable development that accommodates the natural systems and honours the human communities of the Bow Valley.

## 1. Unacceptable: The proposals would double Canmore’s population

Doubling Canmore’s current population will forever transform “the friendly, inclusive and closely-knit community with a small-town feel” that Canmorites identified as a core defining characteristic of their town in *Mining the Future* (2006). The key issue is the number of residential units proposed. Combined, the Three Sisters Village and Smith Creek proposals call for a total 6,760 residential units, which is essentially twice the 3,447 units approved in the Canmore Land Use Bylaw (Section 14.9.2.4). It should be noted that the number does *not*

include units designated for Vital Home (formerly Perpetually Affordable Housing) and potential secondary suites.

Doubling the population per the TSMV Area Structure Plans will:

- increase what most residents consider is already unacceptable congestion and overcrowding;
- require significant changes to the transportation system in downtown Canmore;
- contribute to the loss of an identifiable community as the ratio of part-time residents grows in relation to fulltime residents; and, further,
- increase the pressure on wildlife species already stressed both by i) the current number of residents and visitors and their activities, and ii) the valley's sprawling transportation, residential, commercial and industrial infrastructure.

### ***What can be done?***

Town Council can:

1. Uphold the Town of Canmore Land Use Bylaw, Section 14.9.2.4, which specifies the number of residential units permitted on the Three Sisters lands. The numbers were established after negotiations with the land owners in 1998, and while there are good reasons to *decrease* those numbers today, there are no good reasons to increase them.
2. Uphold the existing zoning, i.e., Golf and Recreation Area District, for the unfinished golf course. The zoning was itself proposed by TSMV in an earlier ASP. Keeping it intact will: i) eliminate a major proposed residential district; ii) mitigate long-standing undermining concerns about the lands (see Reason 4); and iii) provide a currently required widening of the adjacent wildlife corridor.
3. Uphold the present Conservation of Wildlands zoning in the Smith Creek ASP area, which will limit residential, commercial and industrial development.
4. Reject any proposals to change Canmore's Growth Boundary (as proposed in the Smith Creek ASP), which will limit residential, commercial and industrial development.

## **2. Unacceptable: The proposals' wildlife corridors won't work in the long term**

The Bow Corridor is an internationally significant corridor for animals traversing the Canadian Rocky Mountains, and 80 percent of Canmorites polled on the issue in 2016 said the presence of wildlife in and around the town was important to them. And yet, despite a decades-long window of opportunity, TSMV proposals fail to deliver wildlife corridors that will meet the needs of wildlife in the decades ahead. TSMV's current plans ignore the best-available continental corridor science and the specific recommendations of the local and regional biologists who know the valley best.

In early 2020, Alberta Environment and Parks blindsided the Town and the community by arbitrarily designating a corridor for the Smith Creek portion of the TSMV lands. The corridor's configuration and placement point to a designation informed more by politics than science, with the result that serious problems remain unresolved regarding technicalities like pinch points, width, slope and the placing of crossing structures.

The use of fencing as a primary corridor mitigation constitutes another critical corridor issue. As proposed, the corridors will use eight-foot-high fences with underground aprons to separate wildlife from human habitation and activity. While multiple questions about the effectiveness of such “exclosure” fencing remain unanswered, the overriding concern is that using fencing for the proposed purposes is itself unprecedented and unproven. With the security and safety of both the valley’s wildlife and human populations at stake, relying on fencing as a primary human-wildlife conflict mitigation constitutes a dicey experiment that flies in the face of the precautionary principle.

As well, while TSMV will pay for the building of the fence, the long-term costs of monitoring, maintaining, and replacing it – an expensive proposition – will fall to the Town and its taxpayers.

### ***What can be done?***

The 2020 Alberta Environment and Parks corridor designation falls well short of the Alberta government’s own earlier guidelines and recommendations, meaning the Town Council will now have to step in and use its powers, primarily zoning, to ensure the corridors are functional. Among other measures, the Town Council should:

1. Ensure, as recommended in the Natural Resource Conservation Board Report Decision, that the corridors are given legal land designation before any building approvals are granted. The legal designation will prevent any possible future development on the corridor lands.
2. Uphold the existing zoning, i.e., Golf and Recreation Area District, for the unfinished golf course in the Village ASP. TSMV itself applied for the zoning in an earlier proposal, and it includes needed development setbacks and other provisions that contribute to basic wildlife needs and corridor functioning.
3. Refuse to rezone any lands currently zoned for Conservation of Wildlands (Smith Creek ASP).
4. Reject any proposals to change the Canmore Growth Boundary (Smith Creek ASP).
5. Enforce Land Use Bylaw Section 14.16.14.1 (c), which requires a setback of 450 meters from the edge of the wildlife corridor in the Village ASP area (formerly the resort area). The 450-meter distance is important to mitigate sensory disturbance for wildlife. Obviously, a fence won’t fulfill that same function.
6. Insist the ASPs include a full, itemized accounting for the projected costs of monitoring, maintaining, and replacing the wildlife fencing, on the basis that such costs will fall to the Town after TSMV builds the fence.
7. Alternatives to exclosure fences should be explored: fences are not the only way to create hard edges for corridors.
8. Consider negotiating voluntary covenants and conservation easements with individual buyers of large lots. Such agreements have been used in SilverTip to ensure buildings are constructed away from sensitive lands and roadways.

### 3. Unacceptable: The proposals would unnecessarily contribute to climate change in a declared climate emergency community

What happens on the TSMV lands – touted by one of the owners as the “biggest real estate play” in Canada – will shape much of Canmore’s contribution to the global climate crisis for the next 50 years. While the proposals incorporate some small, individual scale principles and incentives that would help reduce the development’s climate impact, they are embarrassingly inadequate for a Town that declared a state of climate emergency in 2019. What TSMV is proposing might have been progressive in 2000, but 2021 demands much more ambitious targets, commitments, policies, and practices. Instead, TSMV proposes archaic practices like pouring hundreds, if not thousands, of truckloads of a carbon-intensive cement mixture into mineshafts so they can develop on top of them.

As is, most of the measures proposed rely on voluntary incentive agreements between TSMV and the builders that allow the builders to construct more units as they adopt increasingly higher green standards. Critically, there is no enforceable commitment from TSMV for the sort of net-zero homes or neighbourhoods being developed elsewhere in Canada (e.g., Blatchford Field, Edmonton). Accordingly, it is likely that the development will fail to meet the goals and objectives of the 2018 Town of Canmore’s Climate Action Plan (CAP) – which in itself has recently been shown to fall short of the objectives of the Paris Climate Agreement. As the Town’s own website on the TSMV development notes:

It is theoretically possible for buildings within Three Sisters Village to be near net-zero, but that could only take place if all future developers maximized density and maxed out the bonusing toolkit for the net-zero bonus. The impacts from transportation and waste would still, however, add to the Town’s collective footprint.

Due to the proposed development in Smith Creek being 60-75% low-density units (which would not be available for density bonusing), this area could not reach a near net-zero condition for buildings and would also increase impacts from transportation and waste. (Town of Canmore TSMV FAQ, “Would it be possible for these developments to . . . meet our Climate Action Plan goals?”)

#### ***What can be done?***

While the Town is seemingly constrained by provincial and national building codes as to what it can demand from TSMV and any builders the company may work with, the Council actually has some significant powers:

1. It can and should raise the CAP climate targets, shorten its climate timelines, and amend the Land Use Bylaw in accordance with the recommendations of Bow Valley Climate Action. The proposed amendments reflect the urgency of the crisis and specify best-of-class practices and policies.
2. Uphold the existing zoning, i.e., Golf and Recreation Area District, for the unfinished (and heavily undermined) golf course in the Village ASP, thereby removing much of the need for carbon-intensive undermining mitigations.

3. It can demand TSMV provide well-grounded evidence that its proposed measures will – independent of any voluntary incentive programs – meet CAP objectives.
4. In support of the above, it can amend the Land Use Bylaw to include *performance-based* construction standards by stipulating that permits for all future residential construction in Canmore will be approved only with the developer/builder’s commitment to net-zero structures. As opposed to *prescriptive requirements*, performance-based requirements leave it to the builders to find ways to meet the standards. (As an alternative, the Land Use Bylaw could stipulate that while net-zero development would be a permitted use, anything less than net-zero would be a discretionary use.)
5. It can dictate the configuration of the overall development. As proposed, the development is an extended suburban strip that sprawls 10 kilometres down valley from the centre of town – a configuration that runs counter to best-of-class climate mitigation design. One analysis has demonstrated that *all* of the negotiated TSMV residential units and commercial space can be built west of Stewart Creek, within six kilometres of the downtown core. (As a point of reference, Harvie Heights is only four kilometres from the Canmore Legion.)
6. Absent the creation of performance-based requirements per bullet three above, Council could table the ASPs until such time that: i) the national and provincial building codes and standards support net-zero practices; and ii) TSMV can demonstrate that such practices will be adopted across all development on its lands.

#### **4. Unacceptable: Undermining risks on TSMV lands create potential financial liabilities for the Town and its taxpayers**

Updated undermining regulations (Canmore Undermining Review Regulation AR 34/2020) make it clear the Town of Canmore is liable for any damage to municipal infrastructure (roads, bridges and underground lines and pipes) that occurs on TSMV lands as a result of undermining cave-ins, collapses or slumps. Such problems have arisen in the past – a notable example is the infamous Dyrkas Gate collapse of 2010 – and are likely to arise again in the future. Mitigations to prevent undermining-related problems are uncertain at best.

##### ***What can be done?***

The Town Council can:

- Use its zoning powers to limit development on the worst of the undermined lands. In particular, it should retain the current zoning (Golf and Recreation District) for the unfinished golf course lands, which will preclude any residential, commercial and industrial development. It should be noted the unfinished golf course was in large part zoned a Golf and Recreation District because the lands were judged to have been too extensively undermined to support residential neighbourhoods. The same undermining risk exists today, and TSMV’s proposed mitigation of dumping thousands of tons of a fly ash cement into old mine shafts is of questionable feasibility and would increase the Town’s Green House Gas emissions.

- Refuse to accept any Municipal Reserve lands on undermined areas because the Town would then take on liability for any undermining incidents that may occur there.
- Reject any planning that calls for building infrastructure on undermined lands, as the Town then becomes liable for any costs associated with repairing or replacing infrastructure damaged or destroyed through an undermining incident.

## 5. Unacceptable: The proposal will result in an unnecessary financial burden for Canmore and its taxpayers

The TSMV financial plan was prepared prior to the COVID pandemic and assumes a stable social, economic and financial future. In fact, as any number of economists, political scientists and sociologists attest, the world is becoming increasingly *less* stable, and any long-term predictions about future markets should be viewed skeptically.

The TSMV plan paints a bright future for Canmore but several issues should be flagged.

1. Residential development costs more in long-term municipal servicing than it generates in municipal taxes. While revenues from commercial development generally offset the expense of servicing residential areas – e.g., the upkeep and replacement of streets, sidewalks, and water, sewer and stormwater lines – it is important to note that TSMV has built almost nothing but residential housing for the last 20 years, despite submitting multiple proposals during that period which promised commercial development. Given the uncertainty of market conditions, there is little reason to believe the same thing won't happen again. As is, it is highly unlikely TSMV will be able to fulfill its commercial projections per the Village and Smith Creek ASPs.

Further, a review of TSMV's current financial plan shows that even if the company's projected commercial development was somehow achieved, the Village ASP would be only "nominally" profitable for the Town, and the Smith Creek proposal would be unprofitable. The most likely scenario is that by doubling the number of residential units in its proposals, TSMV will increase the net burden of municipal servicing, the costs of which will be borne by all Canmore taxpayers.

2. Further to the above, it should be noted that the previous TSMV proposal for what is now the Village ASP area called for 100 percent commercial resort development. The current Village ASP, in stark contrast, calls for between 15 and 20 percent commercial development.
3. Servicing costs increase with every kilometer that separates a new development from the downtown core. As stated in Reason 3 above, the current development configuration is a long strip of suburban sprawl running 10 kilometres down valley. Any TSMV development should be restricted to within six kilometres of the Town core.

### ***What can be done?***

Town Council can:

1. Restrict the number of residential units to the 3,447 designated in the Land Use Bylaw.
2. Uphold Municipal Development Plan policy 11.1.6, which states resort areas (TSMV's new "Village" area) should be "predominantly" commercial.

3. Refuse the Smith Creek ASP, which, even if it achieves its full commercial complement, will be a net negative fiscal burden for the Town.
4. Use zoning to restrict the overall size and configuration of the development.
5. Per Reason 2 above, insist the ASPs include a full, itemized accounting for the costs of monitoring, maintaining and replacing the wildlife fencing, which will fall to the Town after TSMV has constructed the fencing.

## 6. Unacceptable. Changing the status of lands presently zoned for Conservation of Wildlands

The Smith Creek ASP calls for rezoning some 33 hectares of land presently zoned Conservation of Wildlands so it can be put to residential, industrial, and commercial use. Located in the mouth of the ecologically sensitive Wind Valley, the parcel – adjacent to and including the Thunderstone Quarry – was until 1998 zoned for Natural Resource Extraction. In 1998, the Town rezoned the area to Conservation of Wildlife in response to the Bow Corridor Ecosystem Advisory Committee *Corridor and Habitat Patch Guidelines*. The change in zoning was made consciously and deliberately, with the intent that it ensure long-term viability for wildlife. The Town’s objective has been clear over the intervening years: keep the Conservation of Wildlands zoning in place. When one of the TSMV owners bought the quarry lands some 15 years ago, it was with the understanding the land’s zoning would remain unchanged and that the area – once its legacy use as a quarry was over – would be reclaimed to a natural state and thus become a functioning part of the wildlife corridors around it. Given that the size and configuration – and thus the functionality – of the valley wildlife corridors are already seriously compromised, rezoning a Conservation of Wildlands district for residential, commercial and industrial simply adds insult to injury.

### What can be done?

The Town has absolute discretion in terms of maintaining the current Conservation of Wildlands zoning.

- Town Council should honour the standing zoning decision and reject any proposed amendments to the Smith Creek Conservation of Wildlands zoning.
  - ⊖ The lands were previously zoned Natural Resource Extraction, and were rezoned Conservation of Wildlands *specifically to clarify the Town’s intent* that they *not* be developed;
  - ⊖ The area is outside any and all “approvals” by the Natural Resource Conservation Board (NRCB), and is subject to the *Bow Valley Corridor Ecosystem Advisory Guidelines* accepted by the Town in 1998;
  - ⊖ The area’s wildlife value was defended by the Town of Canmore at a Municipal Government Board hearing in 2015 regarding a proposed MD of Bighorn development. At the hearing, the Town asserted that the development would compromise private lands protected for wildlife

purposes on Canmore's side of the TransCanada Highway.

## **7. Unacceptable. Changing Canmore's Growth Boundary to accommodate an expanded development footprint**

Canmore's present Growth Boundary was set in the 1998 Municipal Development Plan specifically as a response to the TSMV development, with the intent that it would limit the Town's development footprint and thus help balance development and nature. More specifically, it was informed by the Bow Corridor Ecosystem Advisory Group's *Corridor and Habitat Patch Guidelines* to help ensure the protection of wildlife and the high-value ecosystem lands at the mouth of the Wind Valley. The current Smith Creek ASP calls for an expansion of the Growth Boundary to permit development in the Thunderstone Quarry lands (the parcel discussed above in Reason 6).

### ***What can be done?***

The Town has absolute discretion in terms of retaining Canmore's current Growth Boundary.

Town council should:

- Honour the previous growth boundary decision by adhering to the Bow Corridor Ecosystem Advisory Group's *Guidelines* and the Municipal Development policies for the area. Both the guidelines and the Municipal Development Plan contain setbacks and other provisions that contribute to meeting basic needs of wildlife.
- Adhere to the Alberta Municipal Government Act and the Canmore Municipal Development Plan in terms of process regarding requested changes to Canmore's Growth Boundary. The MDP is the principal planning document and all ASPs must be consistent with it. Accordingly, to ensure any proposed ASP is evaluated in the proper context, any changes to the MDP, including changes to the Growth Boundary, should occur *prior* to First Reading of any ASP that includes possible changes to the MDP. To reverse the order, by giving First Reading to the ASP *before* discussing changes to the MDP, sends a signal to the developer that Council is open to its suggestion, and invites civil action.

## **8. Unacceptable. The proposals don't do enough to address affordable housing**

Canmore is the least affordable place to live in Alberta and among the most expensive in Canada. The demand for second homes has driven housing prices and rents beyond the reach of most workers and their families. Currently, 70 to 75 percent of Canmore houses on the already-developed portions of the TSMV property are second homes. That figure ~~that~~ flies in the face of the NRCB decision, which suggests that 70 percent of housing should be built for permanent residents. The TSMV land provides the Town's best, and perhaps last, chance to make up for a longstanding, community-wide affordable housing shortfall.

The ASPs refer to two potential sources of Vital Homes (previously known as Perpetually Affordable Housing or PAH). One source is TSMV and the builders/developers that will actually



develop the TSMV lands; the other is Canmore Community Housing Corporation (CHC), a non-profit organization that has been working in Canmore to provide PAH for the community since 2000. There are issues with the way the Area Structure Plans deal with both sources.

1. While TSMV advertises that 10 percent of its new multi-residential units will be PAH units, TSMV, as a land speculator, will itself provide no units. Rather, it will fall to future builders who do the work of developing the parcels of TSMV land to commit a percentage of their total unit allocation to PAH. Town administration states that the percentage could *potentially* run between 4 and 12 percent. Critically, however, the number of units that materializes is contingent on negotiations between the builders and the Town. Given what happens in the negotiations, the number of PAH units actually constructed could be as low as zero: builders will be “incentivized” to build PAH units with the promise of being given an increased allocation of total units, but there is no actual requirement that they do so. In addition, Town administration has stated that the proposed ASP bonusing incentive scheme *may* provide either PAH *or* improvements in energy efficiency at the builder's discretion.
2. The only guaranteed PAH units – approximately four percent of total units – would be constructed and paid for by Canmore Community Housing Corporation on land the Town would acquire from TSMV in exchange for closing road allowances.
3. The ASPs stipulate that any units built by future builders/developers will have to be purchased by Canmore Community Housing Corporation within a year of their construction or they will default to current market housing. This could leave the Town on the hook for millions of dollars of investments as owners for the units are found.
4. Referencing Reason 5 above, any increase to town taxes owing to a TSMV failure to achieve its projected commercial buildout will actually increase the costs of owning a PAH unit in Canmore.

### ***What can be done?***

Unfortunately, the province does not currently permit the Town to insist TSMV provide rental housing or PAH *unless* the Canmore Community Housing Corporation owns the land. While this complicates the issue, it does not leave the Town powerless.

- Town Council can negotiate with TSMV, exchanging additional land for PAH for a reduced Municipal Reserve contribution. Council should thus i) complete such negotiations before authorizing any residential construction, or, alternatively, ii) table the ASPs until provincial regulations allow the Town to acquire land explicitly for PAH.

## **9. Unacceptable. The Town of Canmore’s public engagement process**

While not related to the substance of the TSMV proposals, the Town of Canmore’s apparent reluctance to engage deeply with its citizens over a decision that will have long-lasting, consequential impacts on the nature and character of the community is also unacceptable. A decision of such magnitude demands robust, wide-ranging public and in-person engagement. Prior to first reading of the TSMV Area Structure Plans, the Town failed to provide such

engagement despite policies and directions in Town documents that instruct the Town to seek opportunities above and beyond those offered by public hearings. In public hearings, citizens are restricted to making “neutral” comments or voicing clear “for” or “against” opinions, a provision that divides citizens more than brings them together. Adequate public engagement provides for shared learning and the chance for citizens to talk to each other.

Another issue is that the Town plans to hold public hearings regarding the TSMV Village and Smith Creek ASPs by Zoom. Zoom meetings may be adequate for decisions of less consequence and involving fewer people, but are an unacceptable substitute for in-person public hearings.

### ***What can be done?***

In the interests of accountability, the Mayor and Council should adhere to the Town’s policies and directions and host a robust, meaningful public education and engagement program as regards the TSMV Village and Smith Creek ASPs. There are at least four separate Town documents that provide direction to the Town to do so:

1. 2006 Mining the Future: *“Develop and refine ways for the citizens of Canmore to engage in public policy processes that move well beyond open houses and public hearings” (pp 59 &60)*
2. 2016 MDP, Section 17: Civic Engagement & Cooperation - Goal 2: *“To build opportunities for meaningful engagement of the public through ongoing dialogue and a collaborative sharing of perspectives, ideas, and generation of solutions”.* (Section 17 contains a number of policies supporting this goal.)
3. Town of Canmore Strategic Plan - 2019-2022 Foundational Pillars - Community Engagement: *“We meaningfully engage with citizens for effective decision making”*
4. 2019 Public Participation Policy: *“This Public Participation Policy recognizes the value of public participation and provides a framework for opportunities for the community to be informed of, and/ or involved in meaningful public participation regarding decisions that directly affect the public.” Public Participation Tools include: “in-person participation which may include meetings, round-table discussions, town halls, open houses, and workshops. . . .”*

## **In Conclusion**

There are other reasons why the TSMV Three Sisters Village and Smith Creek ASPs are unacceptable, but the nine listed here are those identified by Bow Valley Engage members as the most critical. Many of the reasons intertwine with others, and there is considerable overlap when it comes to the “solutions” the mayor and council should consider in making their decision. By acting on the recommendations, and by engaging in a meaningful way with all Canmore residents about the future they envision for themselves and their community, the Town will go a long way towards ensuring that any local development reflects the values of the people who live here, as well as protect the natural systems and wildlife which define the valley’s essential character.