



Beacon AI Hub Area Structure Plan Terms of Reference

Electoral Division: 6

File: 1011-475

Date:	November 12, 2024
Presenter:	Dalia Wang, Planner 2
Department:	Planning

REPORT SUMMARY

The purpose of this report is to present the Beacon AI Hub Area Structure Plan (ASP) Terms of Reference (TOR) for Council’s consideration. The objective of this new ASP is to outline a plan for the land use and servicing of the site as an artificial intelligence (AI) hub and solar farm. The ASP is a developer-led project and will be fully funded by the developer. The site location was deliberately selected due to the proximity to three electrical substations and the ability to harness solar energy from the solar farm development.

In August 2024, the proponent (Stantec Consulting on behalf of Beacon Data Centers Inc.) submitted a proposal to develop an AI Hub on the site that is subject to this Terms of Reference. The use, being a Business Use under the County’s Municipal Development Plan, requires the adoption of an Area Structure Plan. On October 8, 2024, Council directed the preparation of Beacon AI Hub Area Structure Plan. The TOR for the ASP has been prepared in accordance with this direction; accordingly, approval from Council is currently being sought.

As a developer-led project, the developer will be responsible to cover all costs of the project. County staff resources will be required to support the progress of the project, and this staff time is estimated to be valued at \$50,000. The expenditure of these staff resources has already been accounted for within the Planning department’s existing budgeted staff, and the amount would be recovered by the developer, so that the project is net-zero-cost to the County.

RECOMMENDATION

THAT Council approves the Beacon AI Hub Area Structure Plan Terms of Reference as presented in Attachment A.

THAT Council approves a budget adjustment of \$50,000 for the Beacon AI Hub Area Structure Plan project as presented in Attachment B.

BACKGROUND

Location

The subject site measures approximately 946 acres in area and is located approximately 3.2 kilometres east of the city of Calgary and 2.4 kilometres northwest of the hamlet of Indus. The subject site adjoins the proposed Prairie Gateway ASP site to the east. (refer to Figure 1 below). The site is adjacent to, but not within, the Rocky View County/City of Calgary Intermunicipal Development Plan (IDP). The area directly west of the site (sections 9, 10, 15, 16, 21, 22) is identified as a City of Calgary industrial growth area under the IDP. Surrounding uses to the north, east, south, and west are primarily agricultural in nature and are zoned accordingly as A-GEN. At its closest point, the site is located approximately 1 kilometre north of the Canadian Pacific Railway route. Refer to Figure 1 below for further details.

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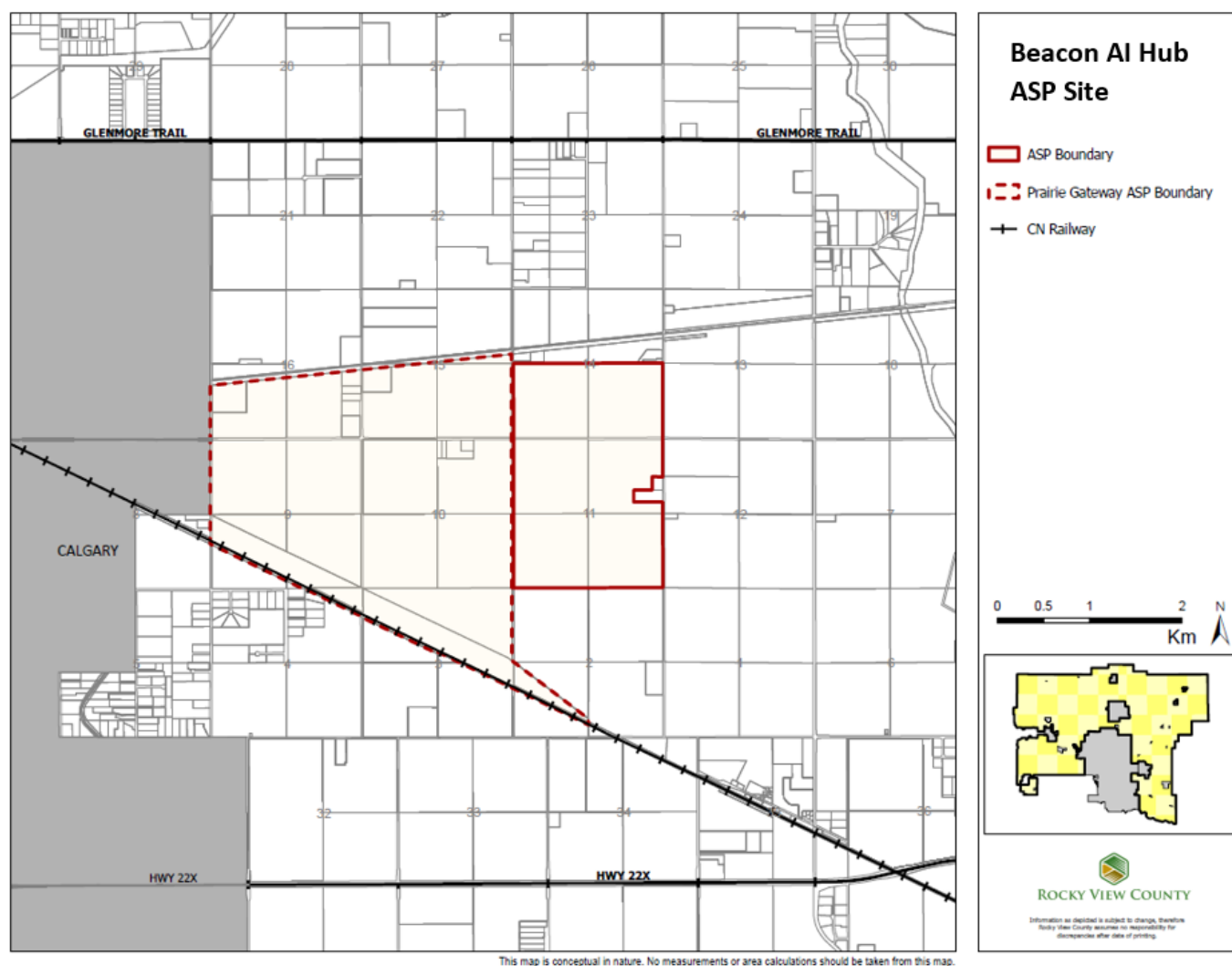


Figure 1 – Beacon AI Hub ASP Site

Project Context

On October 8, 2024, Council directed the preparation of Beacon AI Hub Area Structure Plan, in consideration of the ranking list within Council’s Planning Project Prioritization Policy C-322. Accordingly, a TOR has been prepared for the development of this ASP. The Beacon AI Hub ASP project will consist of a data centre and a solar farm. Currently, there is no ASP in place that encapsulates the site. As the development is a new “business use”, the creation of a new ASP is required under the *Municipal Development Plan* (MDP).

The site is currently zoned Direct Control Bylaw DC-166, which provides for the development of solar farms. The solar farm development has received conditional approval, and the Applicant is currently in the process of satisfying development conditions. It is noteworthy that there is no servicing or critical infrastructure available to the site, which forms a key consideration for this project. As such, technical studies for water demand and servicing feasibility will be undertaken to inform the preparation of a strategy.

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ANALYSIS

Planning Framework

Calgary Metropolitan Region Growth Plan

The intent is for the subject development to align with relevant requirements stipulated by the *Calgary Metropolitan Region Growth Plan* (Growth Plan). A key consideration pertains to the designation of the site as either an Employment Area or a Rural Employment Area. Rural Employment Areas are for employment uses best suited to rural locations and are characterized by larger lot sizes, lower density of lots, and lower levels of servicing. Employment Areas are to be located in Preferred Growth Areas and are characterized by a variety of industrial and commercial land uses. The final definition of use and alignment with the Growth Plan will be determined as part of the project.

The *Regional Evaluation Framework* (Framework) provides the Calgary Metropolitan Region Board (the Board) with the authority to evaluate and approve new Statutory Plans to ensure alignment with the goals, objectives, and policies of the Growth Plan. All new Area Structure Plans are required to be referred to the Board. As such, the subject ASP will undergo this process.

Municipal Development Plan (County Plan)

The development is considered a business area and is subject to the relevant requirements outlined in Section 14 of the MDP. The site location was deliberately selected due to the proximity to three electrical substations and the ability to harness solar energy from the solar farm development. The site is currently zoned Direct Control Bylaw DC-166, which provides for the development of solar farms. The unique nature of the project, being an AI hub and solar farm development, is incompatible with typical business areas; thus, the chosen location is not only appropriate, but ideal.

Technical studies will include a transportation network analysis, water and wastewater servicing strategy, stormwater management strategy, economic impact study, and environmental screening report. The findings from these studies will inform the preparation of the ASP and ensure that the development is delivered according to the requirements of Section 14.

The TOR for the Beacon AI Hub ASP has been prepared for Council's consideration as per Section 28 of the MDP. The preparation of the ASP will be directed by the County, with the delegation of tasks and input outlined as per page 1 of the TOR. The majority of input required for Phase 1 of the ASP will be prepared by the County, whereas input in subsequent phases will be primarily prepared by the proponent (with guidance and oversight from the County).

COMMUNICATIONS / ENGAGEMENT

A Public Engagement Strategy will be prepared in Phase 2 (between October 2024 to January 2025) of the project. The proponent would be responsible for developing and implementing an engagement strategy to support the ASP amendments. The strategy will outline the engagement objectives and methods to be undertaken with the community/general public. A project objective under the TOR is to conduct effective, inclusive, and transparent community engagement.

IMPLICATIONS

Financial

As a developer-led project, the developer will be responsible to cover all costs of the project. County staff resources will be required to support the progress of the project, and this staff time is estimated to be valued at \$50,000. The expenditure of these staff resources has already been accounted for within the Planning department's existing budgeted staff, and the amount would be recovered by the developer, so that the project is net-zero-cost to the County. The developer will contribute a lump sum deposit at the commencement of the project, to be drawn upon by the County throughout the project.

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STRATEGIC ALIGNMENT

Key Performance Indicators		Strategic Alignment
Thoughtful Growth	TG1: Clearly defining land use policies and objectives for the County –including types, growth rates, locations, and servicing strategies	The proposed ASP will be prepared in alignment with the Region Growth Plan and as directed by Council.
	TG1.2: Complete Area Structure Plans (ASPs) in alignment with the Regional Growth Plan and Council priorities	
Thoughtful Growth	TG2: Defined land use policies and objectives are being met and communicated	As above.
	TG2.1: Land use approvals that are supported/aligned with the Regional Growth Plan & MDP	

ALTERNATE DIRECTION

Administration does not have an alternate direction for Council's consideration.

ATTACHMENTS

- Attachment A: Beacon AI Hub Area Structure Plan Terms of Reference
- Attachment B: Budget Adjustment Request Form

APPROVALS

Manager:	Dominic Kazmierczak
Acting Executive Director:	Dominic Kazmierczak
Chief Administrative Officer:	Reegan McCullough