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Planning & Development Report to Calgary Planning Commission 2019 September 05

Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D – 9 Avenue SW, LOC2019-0040

#### **EXECUTIVE SUMMARY**

This application was submitted by O2 Planning and Design Inc on 2019 March 26 on behalf of the landowners 9<sup>th</sup> Avenue Residential GP Inc of 1009D – 9 Avenue SW and Albari Holdings Ltd of 1111 – 9 Avenue SW. The application proposes to change the designation of these properties from DC Direct Control District (79D2015 and 53Z95) to a new DC Direct Control District, based on the Centre City Mixed Use District (CC-X), to allow for:

- high-density multi-residential mixed-use development;
- a consistent land use across a future comprehensive development site;
- implementation of current downtown restricted parking requirements and freight rail corridor policy;
- a mix of commercial, residential, and a limited range of light industrial uses;
- the limited continuation of existing automotive uses; and
- a range of bonus initiatives relevant to the location of the site within the downtown.

A DC Direct Control District is proposed due to the site's unique characteristic and necessity for site specific regulations unavailable in other stock land use districts.

The proposal is in keeping with applicable policies of the *Municipal Development Plan* and applicable Council policies.

No development permit has been submitted at this time.

#### ADMINISTRATION RECOMMENDATION:

That Calgary Planning Commission recommends that Council a hold Public Hearing; and

- 1. **ADOPT**, by bylaw, the proposed redesignation of 1.60 hectares ± (3.95 acres ±) located at 1009D and 1111 9 Avenue SW (Plan 1423LK, Block 36 and 37) from DC Direct Control District **to** DC Direct Control District to allow for a mix of commercial, residential and some light industrial uses and a range of bonus initiatives relevant to the location of the site within the downtown, with guidelines (Attachment 4); and
- 2. Give three readings to the proposed Bylaw.

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

That Council a hold Public Hearing; and

- 1. ADOPT, by bylaw, the proposed redesignation of 1.60 hectares ± (3.95 acres ±) located at 1009D and 1111 9 Avenue SW (Plan 1423LK, Block 36 and 37) from DC Direct Control District to DC Direct Control District to allow for a mix of commercial, residential and some light industrial uses and a range of bonus initiatives relevant to the location of the site within the downtown, with guidelines (Attachment 4); and
- 2. Give three readings to **Proposed Bylaw 204D2019.**

#### PREVIOUS COUNCIL DIRECTION / POLICY

None.

#### BACKGROUND

The application was submitted by O2 Planning and Design Inc on 2019 March 26 on behalf of the landowners 9<sup>th</sup> Avenue Residential GP Inc and Albari Holdings Ltd of 1009D - 9 Avenue SW and 1111 – 9 Avenue SW, respectively.

No development permit has been submitted at this time, however, as noted in the Applicant Submission (Attachment 1), the applicant intends to pursue a multi-residential mixed-use development in the future.

The subject site is located within the restricted parking area boundaries as identified on Map 13: Restricted Parking Area Boundaries in the Land Use Bylaw. At the 2018 March 19 Combined Meeting of Council, Council adopted Bylaw 13P2018, a text amendment to Land Use Bylaw (1P2007) to implement the Downtown Parking Strategies contained in the Calgary Parking Policies (TP017), which included ending the cash-in-lieu parking program and creating the Downtown Parking Strategy Off-Site Improvements Fund for sites within the Restricted Parking Area Boundaries to manage long-stay vehicle parking.

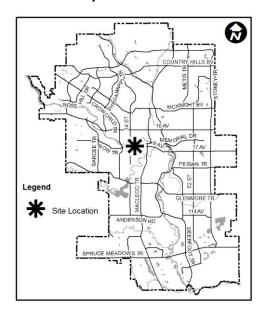
The subject site is located directly adjacent to the Canadian Pacific Railway (CPR) corridor. At the <u>2018 July 23</u> Combined Meeting of Council, Council adopted Bylaw 51P2018, a text amendment to Land Use Bylaw to identify freight rail corridors in Calgary and direct Administration to use the <u>Development Next to Freight Rail Corridors Policy</u> and <u>Implementation Guide</u> when reviewing development permit applications adjacent to freight rail corridors.

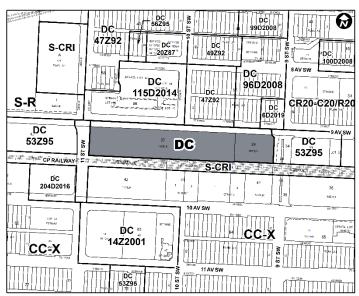
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Planning & Development Report to Calgary Planning Commission 2019 September 05

Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

## **Location Maps**



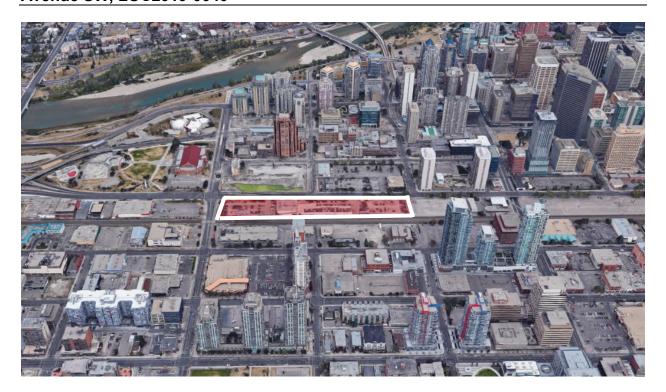




ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040



## **SITE CONTEXT**

The subject site is located in the Downtown West End community on the south side of 9 Avenue SW, between 11 Street SW and 9 Street SW, immediately to north of the Canadian Pacific Railway (CPR) corridor. The site is approximately 1.60 hectares (3.95 acres) in area and approximately 250 metres in width by 50 metres in depth. The site is currently developed with a single storey industrial / commercial building and three ancillary buildings, operated by Metro Ford Sales Ltd.

To the north of the site are surface parking lots, low-rise commercial buildings, the mixed-use West Village Towers (currently under construction), the 23 storey Continental Towers and Mewata Armoury. To the east is a surface parking lot. To the west, across 11 Street SW, a single storey commercial building (Staples). To the south, across the CPR tracks, are single storey commercial developments and Calgary Fire Department - Beltline Fire Station No. 2.

As identified in Figure 1, the Downtown West End is currently at its highest population.

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

Figure 1: Downtown West End Community Peak Population

Downtown West End	•
Peak Population Year	2018
Peak Population	2,757
2018 Current Population	2,757
Difference in Population (Number)	0
Difference in Population (Percent)	0%

Source: The City of Calgary 2018 Civic Census

Additional demographic and socio-economic information may be obtained online through the <u>Downtown West End</u> community profile.

#### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

The proposal allows for a range of building forms that are consistent with the established building form in Calgary's centre city. The proposal generally meets the objectives of applicable policies as discussed in the Strategic Alignment section of this report.

### **Planning Considerations**

The following sections highlight the scope of technical planning analysis conducted by Administration.

#### Land Use

#### Existing Land Use

The subject site is comprised of an east and west parcel with different land use designations on each parcel.

The existing DC Direct Control District (Bylaw 53Z95) on the east parcel is a land use designation rooted in Bylaw 2P80 and is applied to several parcels adjacent to the CPR corridor. The purpose of the land use is to provide a mix of commercial, light industrial and residential uses that are compatible with each other in certain Downtown areas. The existing DC Direct Control District (Bylaw 53Z95) is attached as Attachment 2.

Bylaw 53Z95 does not define a maximum Floor Area Ratio (FAR) but does provide for a height restriction of a maximum of 12 metres, except for hotel where this is increased to a maximum of 30 metres. In addition, Bylaw 53Z95 does not acknowledge the potential risks of developing adjacent to the CPR corridor or require mitigation measures.

The existing DC Direct Control District (Bylaw 79D2015) on the west parcel is based on the City Centre Mixed Use District (CC-X), which is intended to provide for a mix of commercial, residential and a limited range of light industrial uses. The DC Direct Control District sets a

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

maximum base density of 5.0 FAR with the ability to provide bonus initiatives that could achieve an additional 7.0 FAR, to a maximum of 12.0 FAR. The existing DC Direct Control District also contains rail corridor, restricted parking and built form requirements. The existing DC Direct Control District (Bylaw 79D2015) is attached as Attachment 3.

### Proposed Land Use

A DC Direct Control District is proposed due to the site's unique characteristics and necessity for specific regulations unavailable in other land use districts. Use of a Centre City District such as the CC-X District are not suitable for the subject site as the bonusing initiatives are specific to the Beltline as referenced in Map 9: Bonus Area Boundaries in the Land Use Bylaw. Use of the Commercial Residential District (CR20-C20/R20) is also not suitable as the allowable scale and intensity of use is intended for the Downtown. All other land use districts are either area specific (Centre City East Village Districts), do not provide enough building scale and intensity, or do not provide bonusing initiatives to capture public benefit for additional bonus density.

The proposed DC Direct Control District addresses the lack of suitable land use district by merging the base regulations of the CC-X District with bonusing initiatives of the CR20-C20/R20 District to provide specific regulations unavailable in other land use districts.

The proposed DC Direct Control District is based on the principles of the existing DC Direct Control District (Bylaw 79D2015) on the west parcel. The subject application introduces the following changes:

- boundary adjustment to include the east parcel (1009D 9 Avenue SW);
- updated restricted parking requirements to align with amendments to Land Use Bylaw under Bylaw 13P2018 (see Background section above for further details);
- deletion of heavy freight rail corridor regulations to align with amendments to the Land Use Bylaw under Bylaw 51P2018 and Council direction (see Background section above for further details);
- include eight additional bonus initiatives from the Commercial Residential District (CR20-C20/R20) that could be provided in exchange for the additional FAR;
- align base and bonus FAR with comparable sites on south side of CPR tracks in the Beltline with the CC-X District land use designation; and
- general clerical and housekeeping amendments.

A boundary adjustment is proposed to create consistent land use across a future comprehensive development site for a multi-residential mixed-use development.

The subject site is located within the restricted parking area boundaries as identified on Map 13: Restricted Parking Area Boundaries in the Land Use Bylaw. Restricted parking requirements in the proposed DC Direct Control District are updated to align with amendments to the Land Use Bylaw that implemented the Downtown Parking Strategy contained in the Calgary Parking Policies (TP017), which included ending the cash-in-lieu parking program and creating the Off-Site Improvements Fund.

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

Heavy freight rail corridor regulations in the existing DC Direct Control District are removed to align the proposed DC Direct Control District with amendments to the Land Use Bylaw under Bylaw 51P2018, and Council direction to use the *Development Next to Freight Rail Corridors Policy and Implementation Guide* when reviewing development permit applications adjacent to freight rail corridors.

The new bonus initiatives that could be provided in exchange for the additional FAR are based on existing CR20-C20/R20 District initiatives. Eight new bonus initiatives from the CR20-C20/R20 District have been added to the list of existing bonus initiatives. Table 1: Existing vs. Proposed Bonus Initiatives provides a comparison of the existing and proposed bonus initiatives and maximum FAR that can be achieved using each initiative.

**Table 1: Existing vs. Proposed Bonus Initiatives** 

Existing Bonus Initiatives	Max FAR	Proposed Bonus Initiatives	Max FAR
Publicly Accessible Private Open	2.0	Publicly Accessible Private Open	2.0
Space		Space	
Public Art – On Site	1.0	Public Art – On Site	1.0
Public Art – Contribution to Public	1.0	Public Art – Contribution to Public	1.0
Art Fund		Art Fund	
Green Building Features	2.5	Green Building Features	2.5
Bicycle Station	2.0	Bicycle Station	2.0
Transit Enhancements	0.5	Transit Enhancements	0.5
Community Support Facilities	2.0	Community Support Facilities	2.0
Exceptional Design	1.0	Exceptional Design	1.0
Contribution to Central Business	2.0	Contribution to West End	2.0
District Improvement		Improvement Fund	
		Contribution to Affordable Housing	2.0
		Fund	
		Active Arts Space	4.0
		Cultural Support Space	4.0
		Indoor Public Hotel Space	3.0
		Heritage Density Transfer	4.0
		Design For Universal Accessibility	1.0
		Dwelling Unit Mix	2.0
		Innovative Public Amenity	2.0

The new bonus initiatives generally align with those initiatives already available in the CC-X District and CR20-C20/R20 Districts. Financial contributions to the Central Business District Improvement Fund have been redirected to the West End Improvement Fund to better align with the terms of reference for each fund, given the sites location and adjacency to the Downtown West End neighbourhood.

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

The proposed DC Direct Control District also proposes the following changes to the existing base and bonus FAR:

- increasing the base FAR for residential and mixed-use development from 5.0 FAR to 8.0 FAR to align with the standard CC-X District on the south side of the CPR corridor in the Beltline; and
- reducing the maximum FAR with bonuses for pure commercial development from 12.0 FAR to 8.0 FAR to align with the standard CC-X District on the south side of the CPR corridor in the Beltline.

Administration considers the proposed changes to the allowable base and bonus FAR acceptable for the following reasons:

- In the standard CC-X District on the south side of the CPR corridor in the Beltline (CC-X, Area D), the base and bonus density for residential and mixed-use development is 8.0 FAR and 12.0 FAR. For non-residential development, the base and the bonus density is 5.0 FAR and 8.0 FAR. The proposed base and bonus FAR align with comparable sites on the south side of the CPR corridor with CC-X land use.
- 2. Increasing the allowable base FAR for residential and mixed-use development from 5.0 FAR to 8.0 FAR incentivizes the development of residential and mixed-use development. The development of residential and mixed-use development aligns with the Downtown West End and north Beltline identity as primarily a residential and mixed-use focused community rather than commercially focused like downtown.
- 3. In the standard CC-X District on the south side of the CPR corridor (CC-X, Area D), residential and mixed-use development is not required to use bonus initiatives to achieve density between 5.0 FAR and 8.0 FAR. Due to the site's proximity to the CPR corridor, the existing DC Direct Control District reduced the standard base from 8.0 FAR to 5.0 FAR for residential and mixed-used development to acknowledge that residential development is possible, but not expressly promote the location as being a preferred site for high-density residential development.

Following Council's approval of the existing land use, Council amended the Land Use Bylaw to identify freight rail corridors and adopted policy to guide development in these areas. The purpose of the policy was not to prohibit development adjacent to freight rail corridors but rather to proactively manage the risks associated with development in these areas, ensure a high quality of life, and facilitate responsible development. The ability of new regulations and policy to mitigate risk and previous rationale for reducing the base FAR for residential and mixed-use development supports realigning the base FAR with the standard CC-X District on the south side of the CPR corridor in the Beltline.

4. A reduction in the maximum FAR with bonus initiatives for a pure commercial development from 12.0 FAR to 8.0 FAR discourages commercial development relative to residential or mixed-use development. Incentivizing residential or mixed-use

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

development over commercial development aligns with the Downtown West End and north Beltline identity as primarily residential and mixed-use focused community rather than commercial focused like Downtown.

The proposed DC Direct Control District is attached as Attachment 4.

## **Development and Site Design**

Building design, number of units and site layout details such as parking, landscaping and site access will be evaluated at the development permit stage.

#### Environmental

There are no environmental concerns associated with the site or this proposal.

## Transportation

Pedestrian and vehicular access to the site is available from 9 Avenue SW and 11 Street SW. There is no lane access to the site due to the site's adjacency to the CPR corridor.

The area is served by Calgary Transit with bus stops located immediately adjacent to the site along 9 Avenue SW (Routes 18, 112, 305) and Downtown-West Kerby LRT Station is approximately 200 metres to the north on 7 Avenue SW at 11 Street SW. No on-street parking is available adjacent to the site.

A Transportation Impact Assessment was not required as part of this application.

### **Utilities and Servicing**

Water, sanitary and storm sewer mains are available and can accommodate the potential redevelopment of the subject site without the need for off-site improvements at this time. Individual servicing connections as well as appropriate stormwater management will be considered and reviewed at development permit stage.

### Stakeholder Engagement, Research and Communication

In keeping with Administration's standard practices, this application was circulated to relevant stakeholders and notice posted on-site. Notification letters were sent to adjacent landowners and the application was advertised online.

The Downtown West Community Association was circulated three times (2019 March 29, June 04, and July 26) as part of this application and no response was received. A fourth request for comment was sent to the Community Association directly by the File Manager (2019 July 26) with no response received at the time of writing this report.

**ISC: UNRESTRICTED** 

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

Administration received no letters in opposition or support from the public to the application. In addition to Administration's standard engagement approach the applicant contacted the Downtown West End Community Association to discuss the proposal. The applicant and the Community Association were unable to meet to discuss the proposed land use. An overview of the applicant's outreach can be found in Attachment 5.

Following Calgary Planning Commission, notifications for Public Hearing of Council will be posted on-site and mailed out to adjacent landowners. In addition, Commission's recommendation and the date of the Public Hearing will be advertised.

## **Strategic Alignment**

### South Saskatchewan Regional Plan (2014)

The subject site is located within the City, Town area as identified on Schedule C: South Saskatchewan Regional Plan Map in the South Saskatchewan Regional Plan (SSRP). While the SSRP makes no specific reference to this site, the proposal is consistent with policies on Land Use Patterns.

### Interim Growth Plan (2018)

The recommendation aligns with the policy direction of the *Interim Growth Plan*. The proposed land use amendment builds on the principles of the *Interim Growth Plan* by means of promoting efficient use of land, regional infrastructure, and establishing strong, sustainable communities.

### Municipal Development Plan (Statutory – 2009)

The subject site is located within the Activity Centres – Centre City area as identified on Map 1: Urban Structure in the *Municipal Development Plan* (MDP). The applicable MDP policies encourage developing high density residential and support services that support the Centre City as the business and cultural heart of the city.

The proposal is in keeping with relevant MDP policies as the rules of the DC Direct Control District provide for a development form that allows for a high-density mixed-use development.

No local area plan is applicable to this site.

# Downtown West End Policy Consolidation (Non-Statutory -1993) and Beltline Area Redevelopment Plan – Part 1 (Statutory - 2006)

The subject site is not located within the boundaries of the *Downtown West End Policy Consolidation* or the *Beltline Area Redevelopment Plan* (ARP) – Part 1. However, as no local area plan is applicable to the site and the site is sandwiched between the boundaries of each plan, Administration considered each plan to ensure the proposed land use is compatible with the overarching planning objectives of the plans.

**ISC: UNRESTRICTED** 

Planning & Development Report to Calgary Planning Commission 2019 September 05

# Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

The Downtown West End Policy Consolidation and the Beltline ARP – Part 1 envision the areas adjacent to the subject site primarily as residential and mixed-use focused. The proposal is in keeping with relevant policies of the adjacent local area plans as the proposed DC Direct Control District encourages residential and mixed-use development.

### Development Next to Freight Rail Corridors Policy (Non-Statutory – 2018)

The subject site is located adjacent to a freight rail corridor as defined in the Land Use Bylaw 1P2007. The *Development Next to Freight Rail Corridors Policy* applies to sites adjacent to a freight rail corridor. The purpose of the *Development Next to Rail Corridor Policy* is to proactively manage the risk of development adjacent to freight rail corridors and ensure a high quality of life and facilitate responsible development. The policy guides and evaluates new and redevelopment applications from a physical risk and noise perspective. The policy does not prohibit development adjacent to the corridor but requires additional consideration for mitigating the possible risks. The proposal is consistent with the applicable policies. Additional consideration will be given to the *Development Next to Freight Rail Corridors Policy* at the development permit stage.

## Calgary Parking Policies (Non-Statutory – 2017)

The subject site is located within the Downtown as identified on Figure 2: Boundary of Downtown Parking Strategy Policy Area in the Calgary Parking Policies (CPP). The Downtown Parking Strategies in the Calgary Parking Policies apply to those areas within the downtown. The purpose for the Downtown Parking Strategies are to manage the future parking supply in downtown to serve all downtown users and ensure the long-term vitality of downtown Calgary. At the 2018 February 20 Regular Public Hearing Meeting of Council, Council a text amendment to Land Use Bylaw to implement the Downtown Parking Strategies, which included ending the cash-in-lieu parking program and creating the Off-Site Improvements Fund

The proposed DC Direct Control District aligns with the Downtown Parking Strategies in the Calgary Parking Policies and recent Land Use Bylaw amendments.

### Social, Environmental, Economic (External)

Development enabled by this application has the potential to allow more Calgarians to choose to live in a location well served by existing infrastructure and in close proximity to services, employment, community amenities and transit. Mixed-use development of the subject site has the potential to allow for population growth that will support local services and create a livable, diverse and high-density urban community.

## **Financial Capacity**

### **Current and Future Operating Budget**

There are no known impacts to the current and future operating budgets at this time

ISC: UNRESTRICTED

Planning & Development Report to Calgary Planning Commission 2019 September 05

Land Use Amendment in Downtown West End (Ward 8) at 1111 and 1009D - 9 Avenue SW, LOC2019-0040

### **Current and Future Capital Budget**

The proposed amendment does not trigger capital infrastructure investment and therefore there are no growth management concerns at this time.

#### **Risk Assessment**

There are no significant risks associated with this proposal. Land Use Bylaw amendments under Bylaw 51P2018, *Development Next to Freight Rail Corridors Policy* and Implementation Guide provide direction to Administration on how to mitigate potential risks associated with the construction of high-density mixed-use development adjacent to heavy freight rail corridors at the development permit stage.

## **REASON(S) FOR RECOMMENDATION(S):**

Administration recommends approval of this application due to its alignment with relevant planning policy contained in the *Municipal Development Plan* by supporting high-density mixed-use development and intensification within the Centre City in a safe and consistent manner. The proposal also brings the land use into alignment with current Land Use Bylaw requirements and Council policy direction regarding development next to freight rail corridors and parking in the Downtown.

#### ATTACHMENT(S)

- 1. Applicant Submission
- 2. Existing DC Direct Control District (Bylaw 53Z95)
- 3. Existing DC Direct Control District (Bylaw 79D2015)
- 4. Proposed Bylaw 204D2019
- 5. Applicant Summary of Outreach