

Planning & Development Report to
SPC on Planning and Urban Development
2019 October 02

ISC: UNRESTRICTED
PUD2019-1200

Implementing Great Communities for Everyone

EXECUTIVE SUMMARY

This report outlines a proposed work plan and implementation schedule (Attachment 1) for the renewal of Land Use Bylaw 1P2007 (Bylaw) based on the framework which was introduced through PUD2019-1015 *Great Communities for Everyone*. Given existing gaps between policy and regulation in low-density areas, Administration is proposing to begin work on renewing the Bylaw by creating a new district for low-density residential areas to align with the Limited scale Neighbourhood Housing urban form category of the *Guidebook for Great Communities (Guidebook)*. For more details on the work plan, please see Attachment 1.

By working with stakeholders over the next year to create a new Limited scale Neighbourhood Housing district, Administration can address gaps by accommodating a range of ground-oriented housing types (singles, semi-detached, rowhouses, townhouses, suites) in a built form that appropriately addresses outstanding infill development concerns from prior Council direction. Administration is proposing to return with the new district by Q1 2021, which will include implementation options for how to apply this district throughout built-out areas.

The proposed district represents a major step toward achieving the goals of the Municipal Development Plan and Council's priority on building safe and inspiring neighbourhoods. While this final recommended draft has been informed by numerous conversations with Council, communities and stakeholders over many years, it is a departure in engagement compared to policy initiatives in the past. Administration recognizes the limited public review period of five days prior to committee, and heard from members of Council and stakeholders that more time for review would be appreciated. Committee may, therefore, want to consider tabling this and Report PUD2019-1015 until the 2019 November 06 SPC on Planning & Urban Development Committee to allow stakeholders to become more familiar with the proposals and, in doing so, enable a more well-informed conversation at both Committee and Council.

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ADMINISTRATION RECOMMENDATION:

That the Standing Policy Committee on Planning and Urban Development:

1. Forward this report to the 2019 November 18 meeting of Council in order for it to be on the same agenda and heard in conjunction with (following) PUD2019-1015 *Great Communities for Everyone*; and,
2. Recommend that Council Direct Administration to:
 - i. Proceed with Phase 1 of the implementation schedule for the renewal of the Land Use Bylaw as proposed in Attachment 1;
 - ii. Develop implementation options for how to apply the new Limited scale Neighbourhood Housing district throughout the built-out areas; and,
 - iii. Report back through the Standing Policy Committee on Planning and Urban Development no later than Q1, 2021.

RECOMMENDATION OF THE STANDING POLICY COMMITTEE ON PLANNING AND URBAN DEVELOPMENT, 2019 NOVEMBER 06:

That Council direct Administration to:

1. Proceed with Phase 1 of the implementation schedule for the renewal of the Land Use Bylaw as proposed in Attachment 1;
2. Develop implementation options for how to apply the new Limited scale Neighbourhood Housing district throughout the built-out areas; and
3. Report back through the Standing Policy Committee on Planning and Urban Development no later than Q1, 2021.

PREVIOUS COUNCIL DIRECTION / POLICY

This report, in conjunction with PUD2019-1015 *Great Communities for Everyone*, responds to the following previous Council direction:

At the 2019 June 17 Combined Meeting of Council, moved by Councillor Carra and seconded by Councillor Gondek, with respect to Report PUD2019-0402 (Enabling Successful Infill Development – Options for Changes), the following was adopted:

“That Council hold a Public Hearing for the proposed amending bylaw 46P2019; and

1. Give three readings to the Proposed Land Use Bylaw Amendment 46P2019 in Attachment 1; and
2. Direct Administration to return, through the Developed Areas Guidebook report, with an outline for what new developed area districts could look like and how the 12 issues will be addressed (option 3).”

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BACKGROUND

Land Use Bylaw (Bylaw) 1P2007 was approved in 2008, prior to the adoption of the Municipal Development Plan. It was intended to be a living document, with expected amendments from time to time to address issues as they arise and to respond to emerging trends. While many of these amendments have advanced the Bylaw significantly, a number of issues have continually popped up over time. Since 2008, Administration has been working on revisions to the Bylaw to address outstanding concerns, such as height, massing, setbacks, and landscaping. This has resulted in many reports back to Council over the last 10 years to amend individual rules of the Bylaw. At the same time, many discussions were being had around existing policies, including those within the Developed Areas Guidebook, implying that there was a gap between policy and implementation. A history of addressing updates to the Developed Areas Guidebook and Bylaw separately created further disparity between the documents, resulting in consistent requests for updates, while not addressing the systemic underlying issues.

Upon further review of the Bylaw and based on feedback received from several different engagements (both on the Bylaw as well as other ongoing planning initiatives), it became clear that revisions to the existing Bylaw were not the best way to address outstanding concerns and new districts, based on policy, should be created.

Through both the Developed Areas Guidebook and Land Use Bylaw projects, it was determined that before Administration would be able to address the issues within the individual tools, a new planning system was needed. Instead of continually updating existing tools, it's about taking a holistic approach to streamline the connection between policy and bylaw. This approach provides new tools that allow conversations with communities regarding planning to be different; focused on people's experiences and on achieving great community outcomes. This is achieved through PUD2019-1015 *Great Communities for Everyone*, which introduced the new *Guidebook for Great Communities*, along with a framework for a renewed Land Use Bylaw.

While there has been much discussion at Council regarding applying the current R-CG (Residential – Contextual Grade Oriented) district throughout all communities, Administration is not currently recommending this approach, since the district is based on the old system, and does not consider the built-form outcomes needed to make a variety of low-density housing forms work. While this district currently allows for several low-density housing options in alignment with the *Guidebook's* direction, some of the current rules make certain developments difficult, such as mid-block rowhouses. The rules of R-CG also do not address some of communities' existing concerns with infill form, which may hinder achieving desired outcomes.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Through the creation of the *Guidebook for Great Communities* and Bylaw framework, Administration identified a significant gap between the low-density housing policies in the *Guidebook* and existing Bylaw districts that often exclude many low-density housing forms. The inclusive housing policies of the *Guidebook* address housing at the Limited scale in Neighbourhood Housing areas, and are inclusive of a range of housing types that may be built up to three-storeys. Although inclusive of other ground-oriented housing forms, this category would allow for multiple low-density forms, including accessory suites, semi-detached dwellings, townhouses, cottage housing and rowhouses.

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To address this gap, Administration has outlined a framework in PUD2019-1015 *Great Communities for Everyone* that begins the Bylaw renewal by focusing first on a new Limited scale Neighbourhood Housing district. Through the creation of the district, Administration will endeavor to mitigate concerns about increasing the number and type of housing options available by working to a common understanding of outcomes and expectations.

The first phase of work begins with significant community engagement and awareness on the new planning system and focuses the discussion on the creation of a district that could implement the Limited scale Neighbourhood Housing policies of the *Guidebook*. As proposed in PUD2019-1015 *Great Communities for Everyone*, the new Limited scale Neighbourhood Housing district will focus on the form of development rather than the uses allowed. This means that there will no longer be a distinction between uses (i.e. single detached dwelling, semi-detached dwelling, duplexes etc.), but that there will be more attention to the built-form rules such as height and massing, and parcel design elements such as landscaping, trees, and access. With more attention on these elements, along with the other items previously raised by Council regarding infill (see Attachment 2 for more details regarding the 12 items previously raised for infill development), Administration can determine the best way to accommodate a built-form suitable for these areas of a community, while still allowing a variety of housing types.

This will also allow Administration to better facilitate different configurations of dwelling units on a parcel (i.e. single detached dwelling, backyard suite and secondary suite), mid-block rowhouse designs, along with many other forms of low-density housing, appropriate throughout communities. The new district will balance the need to be able to provide a range of suitable low-density housing options throughout communities, while acknowledging infill developments impact the surrounding community.

Where this district should apply

Administration believes that all communities should have the ability through policy and regulation to be complete, inclusive and equitable. Implementation of this district should ensure that all communities are treated equally and have the same opportunities to provide a mix of housing types envisioned in the *Guidebook*. Linking to Council's priority direction for a City of Safe and Inspiring Neighbourhoods, implementation of this district will help to ensure that all communities are complete communities.

Administration further believes that applying this district throughout built-out areas is the most equitable way for communities to meet the outcomes needed to ensure complete communities, while balancing development opportunities throughout all built-out communities. Market forces will not be driven to a handful of communities, given that the same opportunities would exist everywhere, thus helping to stabilize land prices and allowing future local area plans to focus on defining where the majority of community growth can occur. This approach also realizes benefits in terms of process, efficiency and governance as it moves the conversation about detailed built form outcomes to the planning process/continuum – at the development permit stage versus land use application stage.

The biggest risk to applying this district throughout the built-out areas is the perception that this change will increase redevelopment in all communities, even those that aren't currently experiencing redevelopment. This may mean that communities and residents see this as a dramatic shift, or assume that this means that Administration does not want redevelopment in

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the form of single-detached dwellings. Despite the flexibility this district will provide, Administration does not anticipate significant change, although some communities may be more inclined to redevelopment based on market trends. Administration does not anticipate that the redevelopment of single detached dwellings will decrease, as the market for that housing form is still dominant. Single-detached dwellings will remain a viable and important housing form for all communities, complemented by other low-density forms. Administration acknowledges the flexibility the new district will provide, but does not anticipate dramatically increased redevelopment as a result of this change, given current market and housing demand.

When this district should apply

In addition to the creation of new districts, a number of other elements of a renewed Bylaw are needed to ensure that the new districts have the legal structure to support their success. Parking and use reform (as outlined in Attachment 4 of PUD2019-1015 Great Communities for Everyone), as well as new administrative sections will be required in order to support the new districts. These new sections will be combined in a new “Volume B” of Land Use Bylaw 1P2007.

Given the number of coinciding work items, Administration recommends that implementation options, for how to apply this district on-the-ground throughout the built-out areas, accompany the new district when it is brought forward in Q1, 2021. This will allow for Council to be presented with the new sections of the Bylaw and how they function in the new system.

Calgary Planning Commission Review

On 2019 July 4, Administration met with members of Calgary Planning Commission for a workshop on the *Guidebook* and Bylaw framework. Key discussions centred on making sure the outline for the Land Use Bylaw showed cleared alignment with the Guidebook, and outlined next steps. On 2019 July 18, Administration returned to Commission outlining the next steps Administration would be taking to address these issues, including details about how the Framework for a Renewed Land Use Bylaw would show alignment with policy, highlight the big moves, and outline next steps on the creation of new districts. On 2019 August 15, Administration went back to Commission with an updated draft of the *Guidebook* and Bylaw framework to gather Commission’s feedback on these documents. Commission made positive comments and acknowledged the significant work that Administration had done in the month between meetings. Commission understood the need to begin with a new district for low density areas, liking the idea of regulating by form, and highlighting the need to consider how permitted uses are handled and how redesignations will occur. Calgary Planning Commission will continue to be a key stakeholder as Administration moves forward with the renew of the Bylaw.

Stakeholder Engagement, Research and Communication

The body of work presented in this report has been informed by conversations with Council, communities, the development and building industry and other stakeholders over many years. It has also been informed by conversations and existing policy direction that defines a number of housing forms as low-density development, appropriate everywhere low-density forms are suitable. Since the adoption of the Plan and the Land Use Bylaw, more than 75 engagement sessions have occurred on various topics, including the need for flexibility and inclusivity. A summary of these engagement sessions can be found in Attachment 3. Further, more than 40

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reports have been brought through Council over the past ten years, trying to address a number of issues with low-density districts. Administration has indicated as recently as 2019 June 17 (Enabling Successful Infill), that minor incremental amendments to the Land Use Bylaw are not sustainable and not effective at addressing the underlying issues for why the current rules are not resulting in the desired built form.

Strategic Alignment

The Municipal Development Plan encourages growth and change in low-density neighbourhoods by increasing the mix of housing types such as accessory suites, semi-detached, townhouses, cottage housing, row or other ground-oriented housing (Policy 2.2.5a). The recommendations in this report will ensure that this policy is achievable and that desired outcomes can be reached. While changes proposed in this report and the previous report (PUD2019-1015 Great Communities for Everyone) will advance this policy, it will also rely on the successes had through the development of Main Streets and Activity Centres along with other large site redevelopment.

Further, directive N4 of Council's priority of A City of Safe and Inspiring Neighbourhoods indicates that "we must also ensure that all communities are complete communities... Developed communities need to be encouraged to re-develop sustainably and sensitively, in a way that accommodates changing community needs, and support the public investment in them."

Social, Environmental, Economic (External)

The recommendations of this report will offer more housing choices and opportunities, helping residents stay in communities where they have connections to people and services and accommodating different demographics, affordability ranges and multiple generations. It will also help to increase development certainty and built form outcomes, take advantage of existing infrastructure and reduce the time required for planning applications.

Financial Capacity

Current and Future Operating Budget:

There are no impacts to the current and future operating budget as a result of this report.

Current and Future Capital Budget:

There are no impacts to the current and future capital budget as a result of this report.

Risk Assessment

Failure to address the gap identified in this report could add significant time to the creation of local area plans as time will be spent determining the appropriateness of low-density forms rather than on larger opportunities to achieve the targets of the Municipal Development Plan. Not supporting this approach to the new districts could also delay the development of housing options that could have a significant impact on Calgarians' ability to find appropriate residences in locations that meet their needs. Further, Council will continue to be the ultimate decision maker on the appropriate location of low-density forms (in conflict with approved policy) either through local area plan approval or on a site-by-site basis, retaining an inefficient approach to determining suitable locations for low-density forms.

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As shown through more than 40 reports regarding infill in the past ten years, individual amendments to Bylaw regulations cannot fix recurring issues. Administration will continue to fix individual rules where required, but without direction for how to apply the new Limited scale Neighbourhood Housing district, will be unable to address issues in a comprehensive way that achieves the goals of the *Guidebook*.

The risk of this approach is that change is difficult, and managing that change will need to be dealt with strategically and thoughtfully. A new approach to engaging communities will be needed to focus efforts on the details of the change, rather than on the Land Use Bylaw as a tool. The new *Guidebook* and Bylaw will help to establish a new planning system and will help to create desired outcomes if they are used appropriately. Over the next few years, while Administration continues to work on renewing of the Bylaw, attention should also be given to different application types and review processes.

REASON(S) FOR RECOMMENDATION(S):

Administration recommends adoption of the recommendations in this report to establish an implementation plan for the new Limited scale Neighbourhood Housing district. The recommendation direct Administration to engage with stakeholders toward developing mutually understood upon and effective new regulations for desired development. This new approach will focus on people and places and ensuring the city can accommodate the needs of residents and visitors today and the needs of future generations.

ATTACHMENT(S)

1. Attachment 1– Renewed Land Use Bylaw Implementation Timing
2. Attachment 2 – Outstanding Infill Items
3. Attachment 3 – What We Heard Report