

# **Transit-Oriented Development**

Implementation Strategy

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Transit-Oriented Development Implementation Strategy

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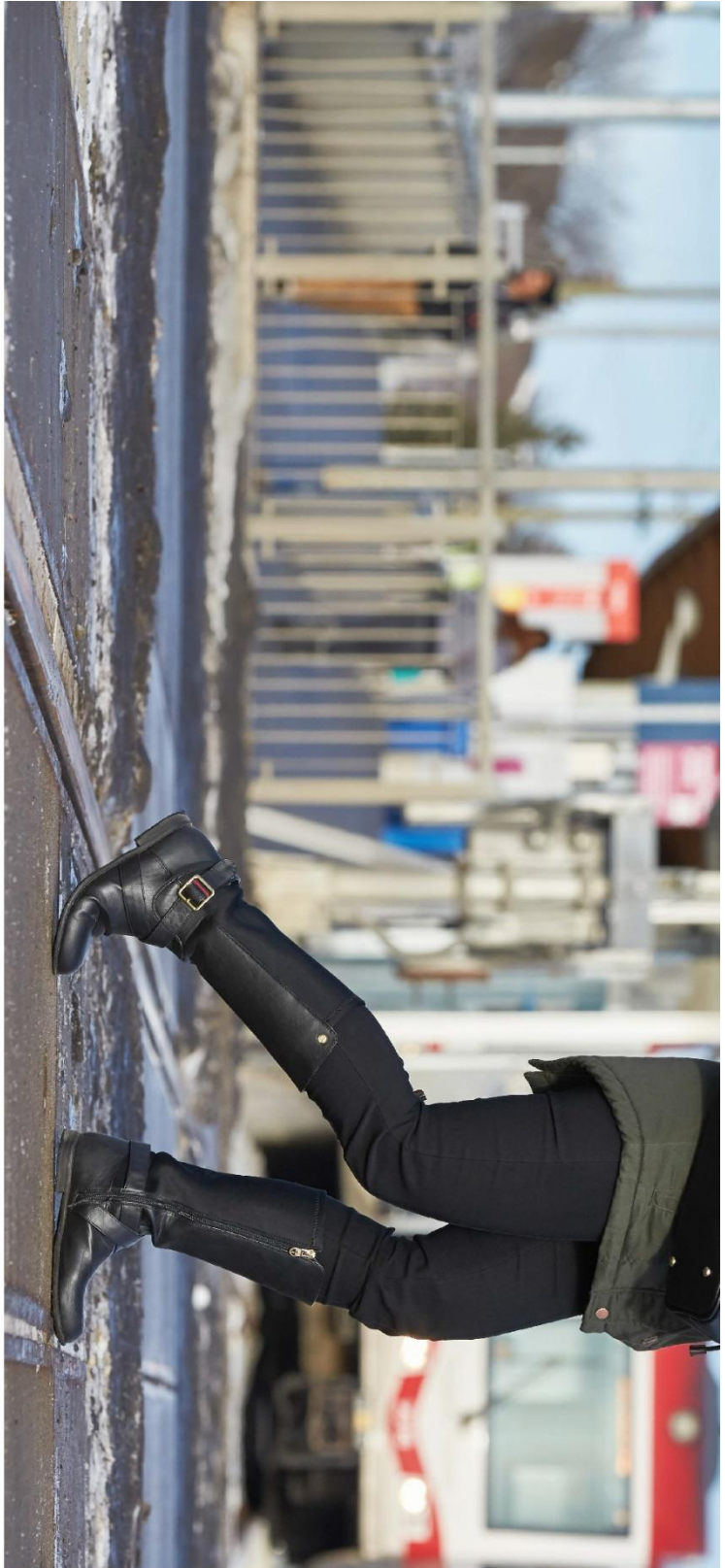
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# Transit-Oriented Development Implementation Strategy

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# 1 Introduction

## 1.1 Background

Since the mid-1990s, transit-oriented development (TOD) has been an essential goal of Calgary's strategic growth policy. It is identified in the Municipal Development Plan/Calgary Transportation Plan and is reflected in several local area plans and policies. Despite this policy direction, however, TOD has only seen limited success in a few locations across the City.

Recent investments in the Green Line light rail transit (LRT) and bus rapid transit (BRT) lines have sparked a renewed focus on promoting TOD across Calgary. The Green Line Framework for a TOD Implementation Strategy (the Framework), approved by Council in 2017, set a course to develop a coordinated corporate approach to support TOD.

Given that Calgary will soon have three LRT lines and an ever-expanding number of BRT/MAX lines, TOD represents a significant opportunity to transform our city. The development of land around transit stations can enhance mobility and housing options for residents; broaden the range of services and amenities available in communities; contribute to the unique character of neighbourhoods and drive economic activity from construction to small business start-ups.

To that end, the objective of the Transit-Oriented Development Implementation Strategy (the Strategy) is to enable TOD to thrive in Calgary and, in doing so, to help The City achieve its strategic growth goals.

## 1.2 Transit-oriented development

In the simplest terms, transit-oriented development (TOD) is the planning, design and implementation of development centred around rapid transit stations. TOD allows residents to safely and conveniently access employment opportunities, amenities and services across the city by transit, or locally on foot or bicycle, and make use of a private automobile optional.

The scale and design of TOD often features a public realm that encourages people to be more active, increases opportunities for social interaction, and supports local businesses. When TOD is successfully implemented across the city it will help maximize transit patronage and contribute to a more efficient and equitable transportation system.

Although TOD follows some basic principles of design, scale and function, it is not a one-size-fits-all product. Instead, it can be quite distinctive from location to location based on a variety of factors, including the policy context, physical conditions of the local environment and a range of social and market factors. In some cases, TOD may feature high-scale towers and high-levels of activity while in other locations, the vision of TOD may include low- to mid-rise buildings and a more moderate level of activity that better fits the character of surrounding communities.

### 1.3 TOD Implementation Strategy and the Next Generation Planning System

The Strategy represents a cross-corporate approach to TOD that has been developed with guidance from colleagues in Planning and Development, Transportation, Real Estate & Development Services and Calgary Transit.

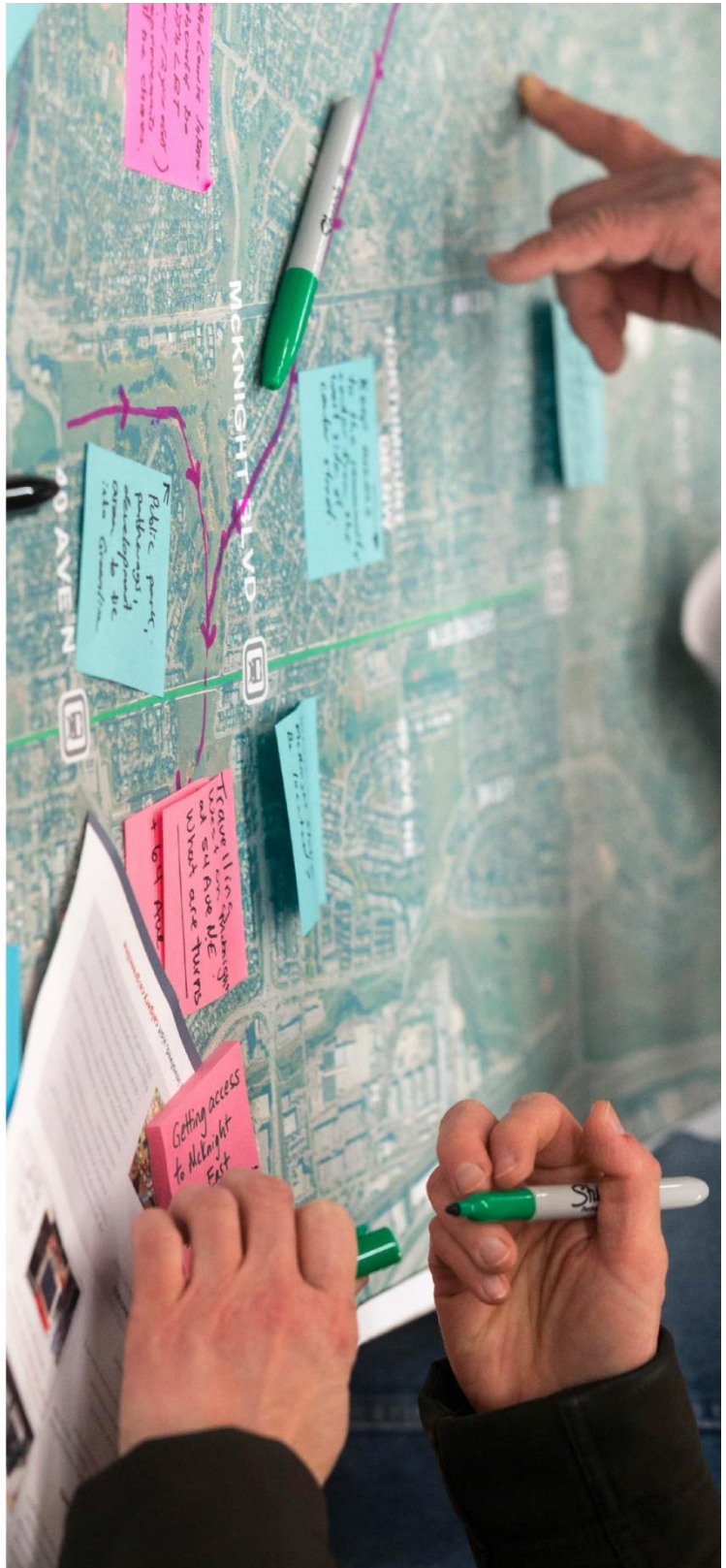
To achieve the successful implementation of TOD, the Strategy proposes a TOD-focused

program that is a fully integrated component of the City's Next Generation Planning System. The TOD Program has, and will continue to be, developed in close collaboration with other initiatives and programs like the Established Area Growth and Change Strategy; the Guidebook for Great Communities and the Main Streets program. Specifics regarding the way these initiatives and programs are integrated are provided in Section 3, TOD Program.

#### Next Generation Planning System

We will have a more robust planning toolbox that will shape where, how and when our city should grow.





## 2 TOD research

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Transit-Oriented Development Implementation Strategy



## 2.1 Case studies

Case studies of North American city-regions such as Denver, Portland, Minneapolis, Toronto, and Vancouver provide insight into TOD best practices and lessons learned. The examples provided by these case studies demonstrated different ways to align municipal budgets and resources, create effective partnerships between government and non-government organizations, and provide tools to fund capital improvements needed to support TOD.

Denver approved a new TOD strategy in 2014. It's based on an action plan that includes an evaluation of each station in the system. The evaluation distinguishes stations that are still in the pre-planning phase from those that have been planned but still require infrastructure and amenity improvements to accommodate growth. It also identifies the stations that have all the required planning and capital improvements but still lack the market conditions to set a development in motion. For stations in each category, a different set of actions is required to support TOD implementation in both the short- and long-term. Portland has adopted a similar approach through its TOD strategy adopted in 2016.

Minneapolis established a TOD Office in 2014 to maximize development around transit, support regional economic competitiveness and advance equity around a modern transit system. The office provides a 'one-stop-shop' for developers, communities and regional partners to advance TOD throughout the Metro region. The focus of the TOD office is on cultivating and supporting partnerships with stakeholders that play key roles in achieving the region's TOD goals.

Vancouver has recently introduced a development cost levy and community amenity contribution for all development across the city. In their case, they are using a portion of the fund to target investment in capital improvements in communities along the Canada Line to help lower the obstacles to development in these strategic locations. Metrolinx, serving the region around Toronto, has secured provincial funding to pay for similar capital investments around mobility hubs.

## 2.2 Engagement - obstacles and opportunities in Calgary

To help The City better understand the obstacles that have hampered the success of TOD in the past and the opportunities it represents for our future, engagement with local stakeholders provided an important source of information.

Input was gathered from representatives of Calgary's building and development industry, community residents and businesses, planning experts from Calgary and other jurisdictions, and researchers from academic institutions. Stakeholder events came in the form of community charrettes, stakeholder working groups, and a TOD symposium held in October 2018. The information collected through these different means of engagement helped form a clearer picture of the obstacles and opportunities that the Strategy needs to address if TOD is to succeed in Calgary.

### Obstacles to TOD:

- **A lack of prioritized public investment to support TOD** – without public investments that support a prioritized sequence of capital improvements around transit stations, the financial risks to builders and developers is increased, and can diminish market interest in TOD.
- **Market factors like land assembly, mixed-use development and land values** - TOD is a more complex form of development that poses greater uncertainty and higher financial risks for builders and developers.
- **A lack of clear TOD policy** - City policy and development regulations sometimes conflict, creating confusion over expectations for development.
- **A slow and inconsistent development review process** - Conflicts between various City policies, plans and development standards can lead to a lengthy review process.
- **Community opposition** - Trying to address community opposition to TOD projects that meet The City's long-term strategic goals is costly and makes them less attractive for private investment.

### Opportunities for TOD:

- **Focus on placemaking** - development around transit stations can contribute to placemaking across the city through unique design elements including scale, mix of uses and public art.
- **Understand the needs of communities** - the process of planning TOD in communities can provide The City and developers with a better understanding of what is important to residents and businesses experiencing growth and change.
- **Ensure equitable development around transit stations** - by providing a range of housing choices (including affordable housing), commercial space for small businesses and ensuring a mix of amenities and community services, TOD can help support The City's objectives for more equitable and inclusive communities.
- **Support environmental sustainability** – TOD is an important approach to reducing our impact on climate change by providing low-carbon mobility options. The scale and form of TOD can also serve as an opportunity for environmentally sustainable design practices related to storm water management and energy production, such as district heating and local energy production.

Stakeholders also shared their views on the opportunities successful TOD represents. The list includes a number of social and civic benefits that TOD can provide:

Although the obstacles and opportunities identified are specific to Calgary, they are similar to those addressed by the TOD strategies and programs established in the case study city-regions. By taking the lessons learned from those examples and applying them to the Calgary context, the Strategy can articulate a set of common success factors on which TOD implementation depends:

## 2.3 Success factors for TOD implementation

Despite some differences in their approaches, the case study city-/regions have achieved success with many TOD projects. Summarizing the lessons learned in case studies, it appears that municipal support for the following factors is critical for the successful implementation of TOD:

### TOD-focused planning

- A specific planning approach is required to create a clear vision for the scale and form of development around a transit station. Planning policy guides capital improvements and sets expectations for builders, developers, and communities. Planning is a critical first step to facilitate TOD.

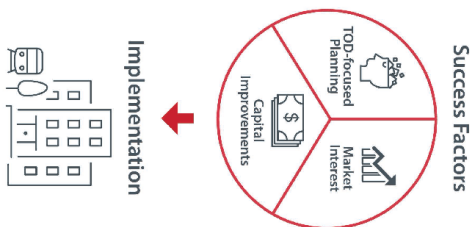
### Market interest

- Market interest is necessary to attract the private investment that delivers the vision of development articulated through planning. Market factors such as land costs and the cost of capital improvements can impact the feasibility of TOD projects and market interest.

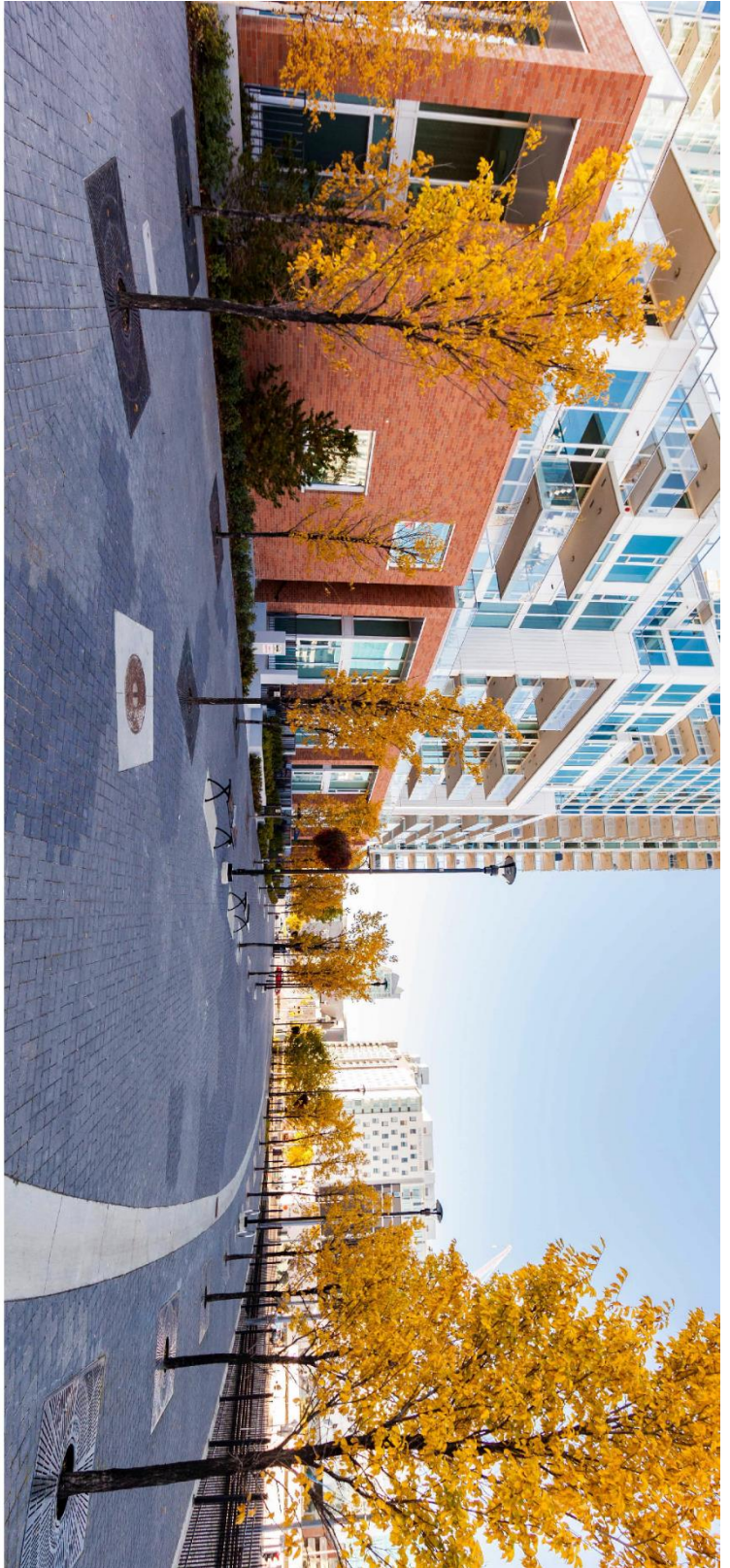
### Capital improvements

- Capital improvements include the leading infrastructure that is required to support development, such as utilities. It also includes public realm improvements such as well-designed streetscapes, parks, and plazas that help provide a high quality of life in an active urban environment.

The case studies demonstrate that jurisdictions that have established comprehensive programs to support these three success factors lead the way to effective implementation of TOD.



To date, The City of Calgary has focused most of its efforts on planning. Since the mid-1990s, The City has approved several TOD policies and guidelines that have been incorporated in local area plans. However, The City has not been as proactive in support of cultivating a market interest in TOD and creating a predictable system of providing capital improvements, as explained in the following section.



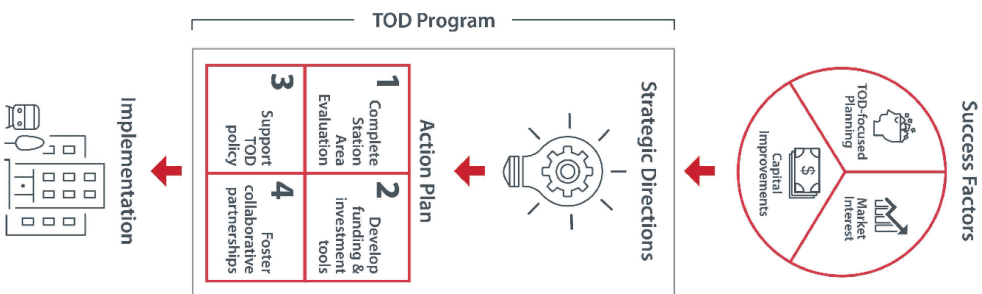
## 3 TOD program

### 3.1 Strategic directions

An investigation of successful case studies and input from local stakeholders helped identify a set of common success factors for TOD implementation. While this is critical information, it still leaves questions about how to best support those success factors in the Calgary context.

To that end, the following strategic directions have been developed to guide a comprehensive TOD program that will effectively support TOD implementation in Calgary. Together, they lay the framework for the TOD program.

- Integrate TOD opportunities within a corporate system to help prioritize funding and investment decisions;
- Provide supports to encourage private investment in TOD;
- Support planning policy and processes to improve the quality and feasibility of TOD;
- Position TOD as a desirable opportunity for community growth and change through collaboration and partnership; and
- Ensure TOD contributes to the City's broader civic and social goals including equity, environmental sustainability and building a resilient city.



### 3.2 Action plan

The TOD Program is intended to focus City efforts to support the three success factors for TOD implementation – TOD-focused planning, market interest and capital improvements. Four inter-related actions are proposed as part of the Program. They are guided by the strategic directions as a response to the lessons learned from the case studies and the TOD obstacles and opportunities identified by local stakeholders.

The following actions are fully integrated with other corporate initiatives and programs of the Next Generation Planning System. As part of a comprehensive corporate approach, they will enable TOD to thrive in Calgary and help The City achieve its strategic growth goals.

**Station area evaluations** will be an essential tool to track the planning work and capital improvements required or completed at station areas across the City and support the evolution of station areas over time. It will also serve as a way to generate market interest in TOD by highlighting development opportunities.

New **funding and investment tools** will help ensure a predictable mechanism for the provision of capital improvements required to support TOD. These tools will reduce some of the significant financial risks that have hampered market interest in TOD in the past.

Supporting the **TOD policy** will improve the consistency of plans that include station areas and help streamline the planning process from policy development through implementation. Again, this action will help increase market interest in TOD.

Finally, by **fostering collaborative partnerships** from the development of policy through implementation, the TOD program will make the most of the station area evaluations, funding, and investment tools and policies. Partnerships will also help the City realize many of the civic and social opportunities identified by stakeholders through engagement.

**Action #1 – Complete station area evaluations**

A fundamental part of the TOD Program is to complete the station area evaluations. Evaluations are based on criteria related to the three success factors for TOD implementation including alignment of capital investments, community readiness for TOD, land use capacity, community servicing and planning analyses, and availability of community services and amenities. These criteria have been developed in coordination with the community evaluation criteria being used for the Established Area Growth and Change Strategy.

The station area evaluations will be an essential tool to help generate market interest in development around transit stations and address obstacles related to market factors like land assembly. Along with the other information already mentioned, it will highlight vacant and underutilized sites around each station that can be assembled for private development or the provision of public facilities like libraries, recreation centers, and affordable housing.

One of the main benefits of the station area evaluations is to help establish a logical sequence of City-led planning activities and capital improvements to support the evolution of station areas from long-term opportunities to 'TOD ready'. This will be accomplished by integrating station area evaluations, Main Streets priority areas and analyses of market interest provided by the Established Area Growth and Change Strategy. By combining the inputs of these three initiatives, The City will establish an integrated system of decision-making about prioritizing planning work and capital improvements in the Established Area where market interest exists.





## Station Area Evaluation: Overview

### Evaluation criteria and score



#### Capital Investment Plan

Alignment with the priorities laid out in the Infrastructure Calgary Capital Investment Plan (C2017-0214) including 1) Inland Port and Logistics District, 2) Culture and Entertainment District and 3) Innovation, Education and Wellness District.



#### Previous Corporate Investment

Measure indicating significant corporate investment in the recent past. This investment could have been unrelated to transportation and transit and unrelated to 'leading' infrastructure. For example, a new library or recreation facility has been built, recent streetscape improvements, etc.



#### Community Readiness

A measure of community readiness for change based on recent projects or engagement in the area including LAPs, number of SDAB appeals etc.



#### Existing Land Use District Capacity

Evaluation of the current land use within each TOD location (600 m) and evaluated against TOD intensity aspirations identified in the LAP. Ranking based on gap between existing land use and TOD potential.



#### Planning and Infrastructure Analysis

A measure for policy, infrastructure and transportation work and analysis within 600m from the station. This criterion reflects whether planning activities, infrastructure and transportation analyses needed to support TOD implementation have been completed for the station area.



#### Community Amenities

Ranked based on Walkscore (analyzes dining & drinking, groceries, shopping, errands, parks, schools, culture & entertainment) within 600 m.

Station name

**Brentwood Station**

Station area typology/  
population and jobs  
within radius (2017)

MDP Urban Structure  
Population  
Jobs

Evaluation Ranking: 5 (high) to 1 (low)

Evaluation criteria

SCORE 5 Capital Investment Plan

Evaluation score

SCORE 5 Previous Corporate Investment

Scores are based on how favourable the area ranks on each of the criteria, with 5 being most favourable and 1 being the least.

SCORE 4 Community Readiness

SCORE 3 Existing Land Use District Capacity

SCORE 2 Planning and Infrastructure Analysis

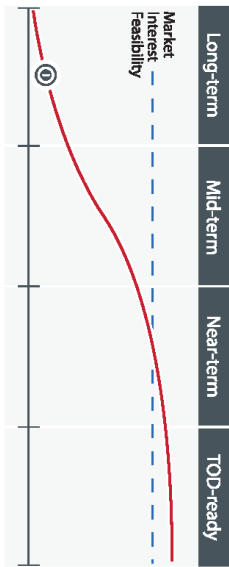
SCORE 1 Community Amenities

Station map and  
TOD radius (600 m)



## Evolution of transit station areas

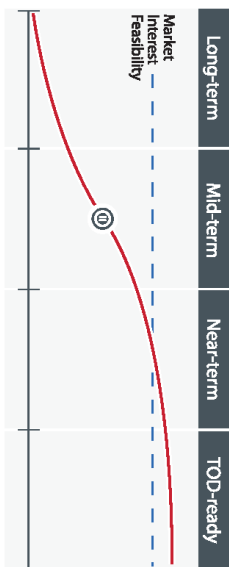
### Long-term TOD opportunities



Station areas that rank relatively low in the evaluations but have been identified as a strategic growth area (as per Municipal Development Plan) may warrant the dedication of resources to begin preparing it for future TOD.

For station areas at this early stage, it is important for Administration to begin developing partnerships to understand the local opportunities and obstacles for TOD and lay the groundwork for planning activities.

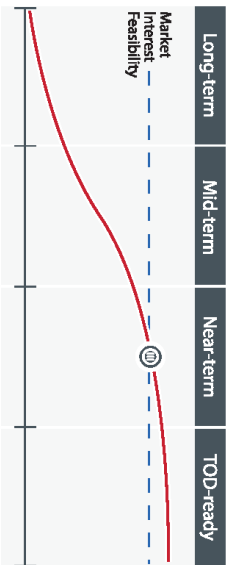
### Mid-term TOD opportunities



Station areas that lack some of the formal planning and analysis required to support future development/ redevelopment but have many of the other characteristics that would support TOD may rank in the middle of the evaluations.

The City can lead efforts to prepare the station area (and broader community) for future development by initiating local area plans and other plans that will articulate a vision for growth and change. Planning at this stage will also provide a clearer understanding of the utility and public realm investments that are required to support the vision.

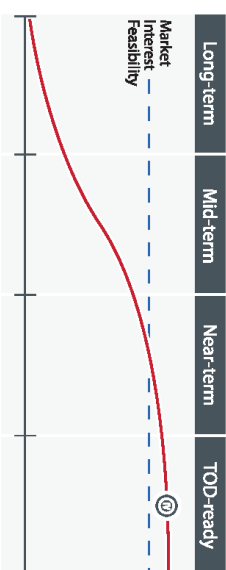
**Near-term TOD opportunities**  
(less than 4 years)



Station areas with completed plans including utility and public realm analyses will rank near the top of the evaluations. Partnerships with landowners, developers and internal partners like Real Estate and Development Services and Calgary Economic Development are well-established and are helping to generate the level of market interest that will spark development in the near-term.

At this point, funding and investment tools will be critical for the timely provision of utility upgrades and public realm improvements that will support opportunities for growth and change.

**TOD ready**



With the vision for a station area approved through a local area plan, utility and public realm improvements analyzed and funding and investment tools in place, the station area is considered 'TOD ready'. When market interest reaches the point at which a project is feasible, development can commence.

**Action #2 – Develop funding and investment tools**

Currently, Calgary does not have a comprehensive, predictable program to fund the capital improvements required to support growth-related redevelopment in existing communities. Instead, utility and public realm improvements that support growth often rely on inconsistent, point-in-time financial investments funded through developer contributions or general revenue sources (e.g., property taxes, utility rates).

The absence of such a program is one of the obstacles identified through engagement and impedes two of the success factors – the need for market interest and capital improvements. The lack of predictable public investment in TOD raises the financial risks for the private sector with respect to redevelopment of established area. Second, it contributes to a ‘first in’ dilemma - that is, it places a significant financial burden on larger development proposals that trigger infrastructure upgrades. Both challenges can pose a significant disincentive for TOD.

The City has initiated two projects to identify tools and processes that will provide a more consistent approach to deliver the capital improvements required to support growth. A new Offsite Levies Bylaw review and the Established Area Growth and Change Strategy will support a predictable system of funding and investment for utility upgrades and public realm improvements in the established area

(including TOD) where market interest is highest. These initiatives are expected to result in the introduction of new funding and investment tools, starting in 2021.

**Action #3 – Support TOD policy**

Engagement revealed that some stakeholders feel that the City’s TOD policy lacks clarity and consistency. This, in turn, contributed to lengthier application reviews and less certainty of planning outcomes for builders, developers, and communities.

A review of The City’s TOD policy revealed some inconsistencies; however, it appears this obstacle results in part, because there are several different sources of TOD policy in City documents. Instead of introducing a new ‘stand-alone’ TOD policy document, the TOD team embedded a new and updated TOD policy in the Guidebook for Great Communities (The Guidebook).

The Guidebook is part of a comprehensive shift in the way The City plans and coordinates community growth and change. It clarifies the scale, form, and function of development and guides the way development should be expected in relation to transit services. By consolidating TOD policy in The Guidebook, it will improve clarity and consistency for end-users like builders, developers, community members, and City planners themselves and result in higher quality TOD outcomes.

As part of the TOD program in 2020, the TOD program will continue to help align TOD policies across the corporation and provide support for Local Area Plan teams as they work with communities to help ensure TOD policies are applied consistently. Beyond 2021, The TOD program may include work to implement policy at the local level by leading planning activities like land use amendments around high-priority transit stations.

**Action #4 – Foster collaborative partnership**

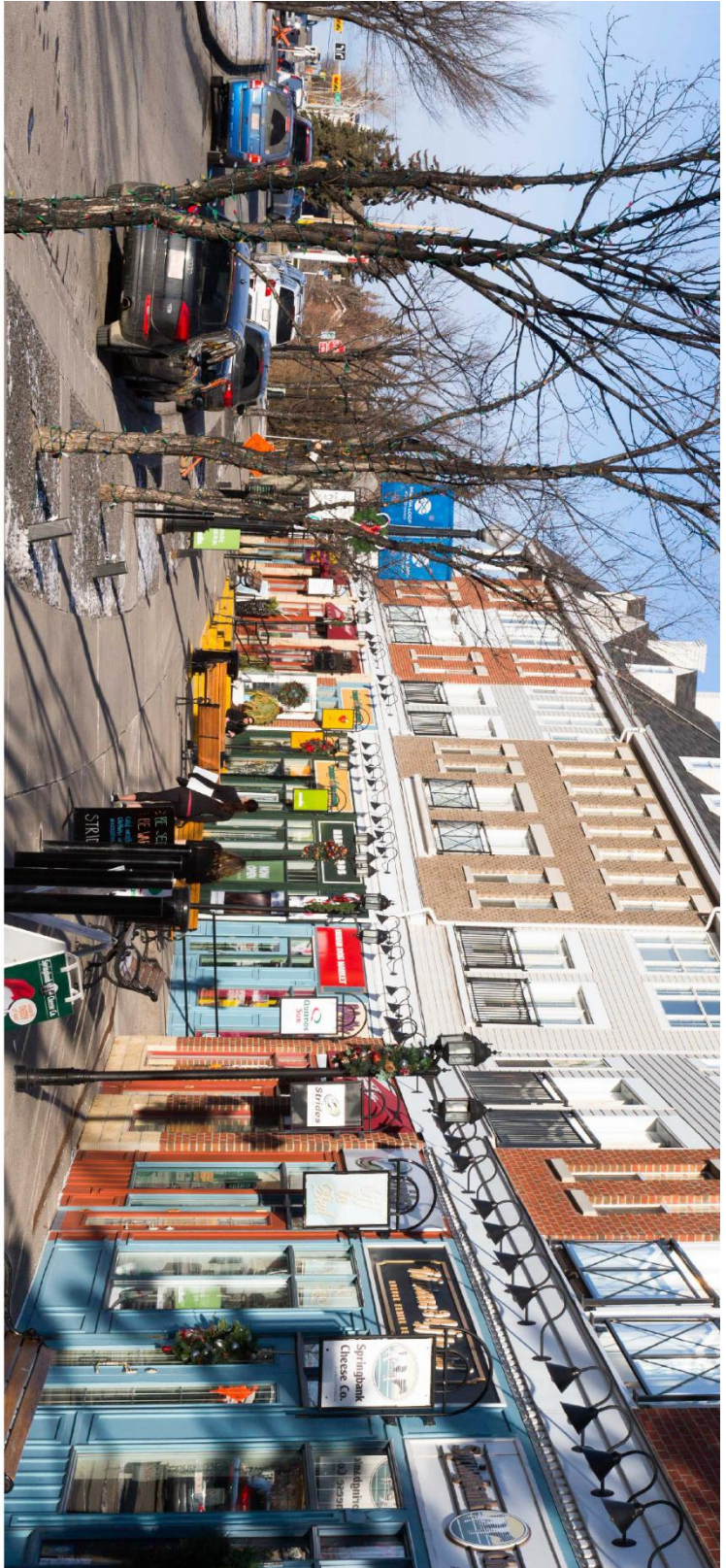
Fostering partnerships with builders and developers, community members, businesses, non-profit organizations, and research institutions is an integral part of addressing the three success factors required for TOD implementation. Recently, The City's approach to local area planning has shifted to a more collaborative model between The City, communities and developers. Although this is a significant step in the right direction, the successful implementation of TOD will require partnerships that extend beyond the local area planning process.

When it comes to implementation of TOD, The City may be an active partner, or it may act as a facilitator that brings other partners together to realize mutually beneficial TOD opportunities.

As an example of this approach, The City of Vancouver recently worked to support a partnership between an affordable housing builder and a faith-based organization located adjacent to a Canada Line Skytrain station. The result of this collaborative partnership is a six-storey, mixed-use building with retail at grade, a church on the second floor, and four storeys of affordable housing above.

This example demonstrates how partnerships can help take advantage of unique local opportunities to realize important social and civic goals through TOD. By taking a more collaborative, partnership-based approach to TOD, The City can make TOD a desirable opportunity for growth and change that leads to a more resilient city.

Establishing partnerships with the help of City business units such as Real Estate & Development Services and partners like Calgary Economic Development presents another untapped opportunity. The specialized expertise these groups have, in combination with the information provided in the station area evaluations, will help generate market interest in TOD.



## 4 Next steps

## 4.1 Workplan

The actions of the TOD program provide the basis of an initial work plan for 2020. Completing the station areas, supporting TOD policy development, and fostering partnerships are among the first steps on which to focus. Other initiatives, like developing new funding and investment tools, and updating the Offsite Leases Bylaw to support growth and change in established parts of The City, will be finalized through 2021. Progress on the four actions of the Strategy will be monitored over the first few years of the TOD Program.

## 4.2 Monitoring success

The success of the TOD program will be measured thereafter by the evolution of station areas, from 'long-term TOD opportunities' through 'TOD ready' sites (Section 3 – TOD Program). Assessment will be based on factors such as plan approvals, completed analyses of capital improvements, investments made in station areas, and land use redesignations completed. These criteria will be monitored as part of regular updates to the station area evaluations.

Long-term, the success of the Strategy will be monitored through performance measures that reflect whether TOD implementation is helping achieve The City's strategic goals. Because TOD provides a similar set of strategic outcomes as the Main Streets program, many of the same performance measures will be used to track the success of the TOD program. These include metrics related to assessed value of property, job creation, diversity of land use and building forms, provision of affordable housing, transportation mode split, and MDP intensity targets. These metrics will be monitored on a bi-annual basis.

**Table 1 | Monitoring**

	Type of measure	Basis for monitoring	Milestones/metrics to monitor
<b>Short-term</b>	TOD program actions	TOD program work plan	<ul style="list-style-type: none"> <li>• Complete station area evaluations</li> <li>• Develop funding and investment tools</li> <li>• Support TOD policy</li> <li>• Foster partnerships</li> </ul>
<b>Medium-term</b>	Station area evolution	Station area evaluations	<ul style="list-style-type: none"> <li>• Station areas with local area plans in place</li> <li>• Station area utility and public realm analyses complete</li> <li>• Capital improvements in station areas complete</li> </ul>
<b>Long-term</b>	Performance measures	MDP and CTP goals within 600 m of stations	<ul style="list-style-type: none"> <li>• Assessed value of property</li> <li>• Population/job creation</li> <li>• Land use and building forms diversity</li> <li>• Affordable housing units</li> <li>• Transportation mode split/ridership</li> <li>• MDP intensity targets</li> </ul>



## 4.3 Delivering the vision

### The Transit-Oriented Development

Implementation Strategy represents a corporate wide approach to address barriers that have impeded TOD in the past and to realize opportunities for the future. The four actions of the TOD program are integral components of the Next Generation Planning System, with reliance on specific initiatives like the Established Area Growth and Change Strategy, the Guidebook for Great Communities and the Main Streets program.

### The Transit-Oriented Development

Implementation Strategy represents a new approach to implement TOD in Calgary.

The City will take on a more proactive role in supporting all three success factors with solutions that fit the context of TOD in Calgary.

Through the strategic directions and actions of the TOD program, the Strategy will enable TOD to thrive in Calgary and, in doing so, to help The City achieve its strategic growth goals.

