

Planning & Development Report to
SPC on Planning and Urban Development
2019 January 15

ISC: UNRESTRICTED
CORRECTED PUD2020-0016

City Planning & Policy 2020 Workplan

EXECUTIVE SUMMARY

This report confirms Council's priorities for the City Planning & Policy Service Line and ensures that Administration's resources and workplan are aligned to them in 2020. Administration believes that Council's policy priorities that guided the workplan in 2019 should continue to apply in 2020. Our focus should remain on aligning the Service Line's resources on advancing the delivery of effective and implementable tools. Doing so will further realize the vision and goals of the Municipal Development Plan and create a business-friendly environment while enabling the development of great communities for everyone in Calgary.

In the report, Council's six priorities that guided the 2019 workplan are briefly reviewed and minor refinements are proposed to better reflect Council's discussion and decisions made over the last year (Attachment 2). A short overview of key planning and policy achievements in 2019 provides context to where Administration intends to focus its efforts in 2020. How the initiatives are allocated to the six priority areas is illustrated in the proposed City Planning & Policy Workplan 2020 (Attachment 3). A group of interconnected planning initiatives, known as *The Next Generation Planning System*, will play a key role in 2020 and is briefly described below and in Attachment 1. The proposed workplan has been developed in coordination with the Industry/City Work Plan 2019 Year-End Report (PUD2020-0020).

The new planning and policy tools are being introduced to better enable desired community growth and provide certainty for investment. Adjusting to new tools and moving away from well-known planning and regulatory tools can, however, be challenging for stakeholders. This challenge and other risks are also addressed in this report.

To best manage available staff resources and meet deliverables in the most efficient way possible, this report recommends adjusting the timelines or approach for four initiatives: The Established Area Growth and Change Strategy – Phase 1, the Industrial Growth Strategy – Scoping report, the New Community Growth Strategy – Growth Management Overlay Policy Review, and the Subdivision and Development Regulation Setbacks. Doing so allows Administration to deliver this work in 2020 or early 2021. These proposed changes are reflected in recommendation 2 and described in the *Revised Timelines and Approach* section of this report (page 4).

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ADMINISTRATION RECOMMENDATION:

- 1) That the Standing Policy Committee on Planning and Urban Development recommend that Council direct Administration to:
 - A. Base its City Planning & Policy Workplan for 2020 on the six proposed policy priority areas for 2020 as contained in Attachment 2; and
 - B. Report back to the Standing Policy Committee on Planning and Urban Development in 2021 Q1 with the proposed City Planning & Policy Service priorities and workplan for 2021;
- 2) That the Standing Policy Committee on Planning and Urban Development recommend that Council:
 - A. Schedule a Special Meeting of the Standing Policy Committee on Planning and Urban Development on 2020 April 29 at 9:30 am; and
 - B. Adjust the reporting timelines for:
 - i. The Established Area Growth and Change Strategy – Phase 1 (PUD2019-0305), to report to Council, through the Priorities and Finance Committee no later than 2020 May,
 - ii. The New Community Growth Strategy – Growth Management Overlay Policy Review (PFC2019-1062), to report to Council, through the Priorities and Finance Committee no later than 2020 Q4; and
 - iii. The Notice of Motion (C2018-1337), Subdivision and Development Setbacks, to return to Council through the SPC on Planning and Urban Development no later than 2021 Q2.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2019 March 18 Council approved in an omnibus motion the recommendation of the SPC on Planning and Urban Development from 2019 March 06, which directed Administration to prioritize its resources to deliver the initiatives on the proposed City Planning & Policy Service Line Workplan 2019.

BACKGROUND

Since 2018 Planning and Development has been working to confirm that its resources are best allocated to achieving Council's priorities for the City Planning & Policy Service Line. In 2019, Administration engaged members of SPC on Planning and Urban Development to confirm six priority areas for the Service Line in 2019:

- A. Toward the one Calgary Plan: renewing the Municipal Development Plan/Calgary Transportation Plan
- B. Comprehensive and City-wide Growth Strategy
- C. Inclusive and Modern Community Planning
- D. Main Streets and Transit Oriented Development Implementation
- E. A Renewed Land Use Bylaw
- F. Downtown Resilience

In alignment with these six priority areas, 64 planning and policy initiatives were identified on the 2019 workplan.

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In 2019, 29 initiatives were presented to committee and/or Council, including:

- The Growth Strategy – Monitoring Report;
- The Guidebook for Great Communities;
- The annual off-site levy report;
- The Transit-Oriented Development Implementation Strategy;
- Phase 1 of the amendments to the Beltline Area Redevelopment Plan;
- Area redevelopment plan and land use amendments for Main Streets in Bowness and Marda Loop;
- The Marda Loop Streetscape Master Plan;
- The Ricardo Ranch Area Structure Plan;
- The West View Area Structure Plan;
- Enabling retail cannabis locations and legalization of edibles and topicals;
- Enabling pop-up and interim commercial uses; and
- Collaboration on the Crowchild Trail Functional Study and the Banff Trail Station Area Redevelopment Plan.

Some initiatives were affected by the budget and staff reductions in 2019. The scope of the Municipal Development Plan Review was narrowed and outreach and engagement efforts with industry, community and citizens on the Municipal Development Plan's 13 design elements (Quality Design Project) were reduced. New stand-alone urban design policy and guideline initiatives were stopped as was the review of the Triple Bottom Line Policy.

Next Generation Planning System

In 2019 Planning and Development began laying the foundation for next generation planning in Calgary. Working with, and building on existing policies, the Next Generation Planning System realizes thriving communities that are loved by everyone, by enabling development and investment through clear, accessible plans, strategies and tools that strategically guide and support growth. This program of initiatives provides a coordinated and clear planning system for the whole city, removes outdated and redundant policy and creates a more robust toolbox to enable development and investment in Calgary.

The initiatives in this program improve the way we plan for Calgary by connecting various steps along the Approvals Continuum to ensure that strategies and policies are effective, mutually supportive and implementable. Included in the program are the City-wide Growth and Change Strategy, the Guidebook for Great Communities, the multi-community Local Area Plans approach, Heritage Strategy, Main Streets, the Transit Oriented Development Implementation Strategy, the renewal of the Land Use Bylaw and the development of growth funding and investment tools.

By bringing together a team of multi-disciplinary professionals, Administration is working collaboratively to better align and close the gaps between overarching strategic policy and local planning and development activity to enable growth and investment in Calgary's communities. (see Attachment 1 for more information).

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration believes that Council's policy priorities that guided the workplan in 2019 should continue to apply in 2020. Our focus should remain on aligning the Service Line's resources on

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advancing the delivery of effective and implementable tools. Doing so will further realize the vision and goals of the Municipal Development Plan and create a business-friendly environment while enabling the development of great communities for everyone in Calgary.

While the six policy priority areas remain, they can be somewhat refined for 2020 as follows:

- A. Toward a Calgary Plan: Implementing the Municipal Development Plan/Calgary Transportation Plan (*refined*)
- B. A City-wide Growth Strategy (*refined*)
- C. Modernized Community Planning (*refined*)
- D. Connecting Planning and Investment (*new*)
- E. A Renewed Land Use Bylaw
- F. Downtown Strategy – Positioning Downtown for the New Economy (*refined*).

Further details on the priorities can be found in Attachment 2.

This refinement places greater focus on advancing the Next Generation Planning System initiatives, such as delivering the new multi-community Local Area Plans, refining and implementing the Guidebook for Great Communities, completing Phase 1 of the Established Area Growth and Change Strategy and implementing policy by connecting planning to investment.

The delivery of Main Streets and the Transit-Oriented Development Implementation Strategy are today more appropriately understood as sub-components of the Comprehensive and City-wide Growth Strategy priority. In 2020 these initiatives will be aligned to that priority rather than serving as a stand-alone priority area.

Connecting planning initiatives and investment opportunities and capabilities has also been identified as a priority in 2020. Administration has heard from Council, stakeholders and corporate partners that community growth and development must be supported, and at times led, by investment on the part of The City and the private sector.

Through 2019 Council has solidified its prioritization of initiatives that promote Calgary's Comeback. The focus on the economic recovery of Calgary's downtown and efforts to shift to the new economy continue through the Downtown Strategy in 2020.

Administration has prioritized the **46** initiatives on the proposed 2020 workplan to deliver on these six focus areas. Attachment 3 illustrates Administration's proposed workplan initiatives and their alignment with the priorities. It also identifies which initiatives are within the Next Generation Planning System program and the nine initiatives that correspond to the 2020 Industry/City Work Plan. Please note that the workplan represents discreet planning and policy initiatives; it does not include core service or operational functions that are also provided by the Service Line, for example the administration of The City's heritage preservation incentive grant program.

Revised Timelines and Approach

To best manage the Service Line's available resources and meet deliverables in the most efficient way possible, and due to a marked increase in staff sickness and absence times in 2019 and numerous staff departures that have affected the service line's ability to work on and complete initiatives as originally planned, it is recommended to revise delivery timelines or approach for four workplan initiatives as outlined below.

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1. To ensure the important foundational work of the Established Area Growth and Change Strategy – Phase 1 is completed with the available resources, Administration is recommending that the report is deferred from the 2020 March meeting of PFC to the 2020 May meeting of PFC (PUD2019-0305). Further, Administration requests that Council schedule a Special Meeting of the SPC on Planning and Urban Development on 2020 April 29 at 9:30 am so that the Established Area Growth and Change Strategy – Phase 1 can be discussed by SPC on PUD and allow for public submissions. Comments from this Special Meeting would be forwarded to the 2020 May 05 PFC meeting for information.
2. To both provide independent private consulting advice, and due to staff turnover, Administration is recommending that the Industrial Growth Strategy Scoping report be delivered as planned in 2020 Q4 through an external consulting engagement.
3. To best allocate staff resources and leverage the external private consulting engagement for the Industrial Growth Strategy scoping report (No. 2 above), Administration is recommending that The New Community Growth Strategy – Growth Management Overlay Policy Review (PFC2019-1062) be rescheduled from 2020 Q2 to 2020 Q4.
4. Due to staff turnover and the need to ensure resources are available for prioritized initiatives, Administration is recommending rescheduling the delivery of the review of the Subdivision and Development Regulation Setbacks (NOM C2018-1337) to 2021 Q2.

The changes requiring Council direction are reflected in recommendation 2 of this report.

Stakeholder Engagement, Research and Communication

Experience in 2019 has highlighted that the complexity, pace and scope of change being introduced through the Next Generation Planning System, combined with an uncertain economic outlook, are proving challenging to stakeholders. Communities and industry have indicated that Administration needs to act to ensure understanding and support can be generated for these initiatives. Administration intends to focus resources towards the education and outreach of our stakeholders regarding these initiatives.

Stakeholders also raised concern that it is challenging to support the simultaneous and connected initiatives in the timelines provided by Administration's workplan. The result has been to request an extension of some timelines, which has the potential to delay the delivery of the various, interconnected initiatives. This is addressed in the risk section below.

Administration has engaged communities, Calgary Planning Commission and the development and building industry in 2019 through the individual policy initiatives as well as through dedicated stakeholder groups. In addition, Administration collaborates with the land development and building industry to identify priority initiatives that support mutually beneficial outcomes. The Industry/City Work Plan, as developed through the Developer Advisory Committee (consisting of City and Industry members), has been considered, and is reflected, in the City Planning & Policy 2020 Workplan (see Industry/City Work Plan 2019 Year-End Report, PUD2020-0020).

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Strategic Alignment

The proposed workplan continues to focus Administration's resources on the policy priorities identified by Council in 2019 through PUD2019-0145. Its focus remains on implementing the Municipal Development Plan and Calgary Transportation Plan through effective policies and tools while undertaking initiatives that support investment and local businesses. This aligns with Council's priorities N2, N3 and N4 for "A City of Safe and Inspiring Neighbourhoods".

The service line contributed to the development of The City's 2018 Climate Resiliency Strategy and its associated action plans. It will continue to consider these plans and relevant actions in the development of its policies, processes and future workplans.

Social, Environmental, Economic (External)

The proposed initiatives support economic activity related to building and development and Calgary's comeback. Initiatives will be undertaken that strengthen the city's social and environmental resiliency. Strategies and tools will be developed that enable City investment and support the development of great communities for everyone.

Financial Capacity

Current and Future Operating Budget:

The work program presented in this report is included in the approved City Planning & Policy service line budget of One Calgary. However, additions to the workplan would require either a re-prioritization of initiatives or additional resources through a budget adjustment.

Current and Future Capital Budget:

There are no current or future capital budget implications associated with this report. However, to deliver on this workplan, individual planning initiatives may present capital recommendations necessary to support budget investments to support the City-wide Growth Strategy and/or Main Streets Investment Program. It is anticipated that capital recommendations to allow for policy implementation will be prepared for the One Calgary Mid-Cycle budget adjustment in 2020 and future budget cycles.

Risk Assessment

Delivering the initiatives on the proposed workplan on time will require all available resources. In 2019, however, there was a noticeable increase in both sickness and absence time and staff departures. This has affected the Service Line's ability to resource and complete its initiatives as planned. Should staff absences and departures continue, the delivery timelines may have to be reconsidered. Administration's primary mitigation is to ensure that our team is tasked with the priority initiatives while deferring initiatives that are not a priority until we can staff them. Administration will also consider engaging consultants as a further option where appropriate.

The proposed workplan is designed to advance or deliver key planning and policy initiatives that strategically guide Calgary's growth city-wide and enable community development in conjunction with effective funding and investment tools. Should this work be redirected, The City's ability to remove outdated policy and provide citizens and businesses with a modern toolbox that attracts ongoing investment may be jeopardized. Administration has identified the initiatives that are key to success and will prioritize their resourcing. In addition, outreach and

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education efforts will create awareness amongst stakeholders of the value of proceeding with these assignments as planned.

Achieving the outcomes of great neighbourhoods that support and attract residents and businesses and result in tax uplifts may require capital budget investments, for example to support the City-wide Growth Strategy and/or Main Streets Investment Program. Should requisite budgets be reduced or not be available it could impact Calgary's ability to attract and retain businesses and investments by the land development and building sectors. Continuing the comprehensive approach to development and investment and identifying potential impacts will help mitigate this risk.

There is a demonstrated risk that stakeholders will petition Council for extensions to the timelines of individual initiatives. If Administration is directed by Council to extend an initiative, the next scheduled workplan items may be delayed. Delays in the completion of key initiatives will reduce Administration's ability to enable growth and change that allows Calgary to better attract private capital investment, retain and create jobs in the land development and building sectors, and build a great city to attract businesses and residents. Delaying the introduction of effective, modern policy tools in communities by maintaining out-dated policies will continue to impede desired development in these areas. Administration has committed to the ongoing monitoring and sustainment of the new tools to ensure they are having the desired outcomes and to rectify any issues that may arise. This pro-active approach is designed to allow initiatives to be completed on schedule while providing the ability to continually address concerns.

Administration understands that Council and The City may have to respond to situations that were not anticipated in the current priorities. This may require Council to reconsider its priorities and direct Administration to adjust the allocation of its resources. This re-allocation would impact the sequencing and timelines of the initiatives on the workplan. In this event, Administration would propose new timelines or potential scope reductions that minimize delays in prioritized communities.

This workplan has been developed under the currently approved budget for the Service Line as amended in November 2019. Significant changes to the budget in the future would necessitate a review of the Service Line's ability to allocate resources to these priorities. If budget adjustments are required, Administration will identify their effect on its capacity to deliver and will work to direct reductions to less critical areas.

The delivery of the multi-community Local Area Plans at an accelerated pace was made possible by one-time funding in the One Calgary budget. In addition to an overall Service Line reduction through the 2020 budget adjustments, Administration proposed the reduction of this one-time funding to correspond to a more realistic and manageable timeline. If the funding and budget were to be further reduced, it would put at risk the Service Line's ability to complete these plans in a meaningful timeframe and provide modern, user and business-friendly policy guidance to communities and investors. In the event of further reductions to the one-time funding, Administration will propose offsetting the budget reductions in less critical initiatives in order to continue to deliver these new plans in the identified priority areas.

It must also be noted that policy planning initiatives commonly involve collaboration and input from business units across The City. Budget reductions in other areas in the future can impact the timelines of these policy initiatives. Administration will utilize the One Calgary Service Owners Network to proactively identify changes that may potential impact the workplan.

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Changes in provincial legislation or regulations may affect the delivery or timelines of some of the strategic initiatives, such as the city-wide growth strategy or off-site levy bylaw. Ongoing communication and collaboration with The City's Intergovernmental and Corporate Strategies will assist in identifying potential provincial changes.

REASON(S) FOR RECOMMENDATION(S):

The six proposed priority areas align with Council's direction in 2019 and reflect discussion and decisions made over the last year. The workplan has been proposed because its initiatives are aligned with the six priority areas identified by Council. Focusing resources on these initiatives will advance work on the Next Generation Planning System in Calgary and provide stakeholders with certainty and effective tools. These tools are required to enable growth and to attract private investment, support jobs and businesses and to build great communities for everyone.

ATTACHMENT(S)

1. Attach 1 – Next Generation Planning System Overview - PUD2020-0016
2. Attach 2 – Refined Policy Priorities 2020 - PUD2020-0016
3. **Corrected Attach 3 – City Planning & Policy Service Line Workplan 2020 - PUD2020-0016**